DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 1 Section 1 January 3, 1927.

THE 1927 FARM OUTLOOK

The Associated Press to-day reports: "The American farmer and laborer may look to 1927 with confidence, spokesmen for those great producing groups told the Associated Press Jan.2. A week ago leaders in the financial and industrial fields, through the same medium, expressed 'conservative optimism' in the outlook for the new year. Now are given the views of agriculture and allied key industries and of the worker in other fields, completing an economic purview for the entire country. The forecasts follow: William M. Jardine, Secretary of Agriculture. 'I believe we can look toward the new year with reasonable confidence so far as agricultural prospects are concerned. If we have a normal growing season and some readjustment of certain acreages, like cotton, prospects for 1927 are favorable, as compared with the returns for 1926, and may more nearly parallel returns for 1925..... ' L.J.Taber, Master of the National Grange--1927 gives every indication of being the most satisfactory agricultural year since 1920. The farmer is on the road upward. Industry, labor, transportation and finance will find that the purchasing power of the American farmer will be one of the factors determining the extent of prosperity during the coming year. Sam H. Thompson, president of the American Farm Bureau Federation--If the country responds to stabilizing the price of farm products at a fairly high level, restoring the purchasing power of the farm dollar, we will maintain our present business activity at a level that will be generally satisfactory for the first half-year. F. T. Fogg, manager, American Fruit Growers, Los Angeles--There are many favorable factors which indicate that 1927 should be a very satisfactory year for producers of fruits and vegetables in California. V. B. Newton, president, Florida Fruit Men's Club.--We enter the New Year with a very promising market. While extremely high prices are predicted for January a general improvement in the market is expected. H.G. Chalkley, president, American Rice Growers' Cooperative Association--Rice farmers of Louisiana, Texas and Arkansas will plant a much smaller acreage in 1927 than 1926, but they expect nearly as large a yield. Prospects are that 1927 will be the best year in history for the rice industry in these States. C. O. Moster, president, American Cotton Growers' Exchange--If acreage is reduced enough, cotton should come back to a price equal to the cost of production, or perhaps a little above. But cotton as 'the only money crop in the South' is doomed. James C. Stone, president, Burley Tobacco Growers' Cooperative Association--The Burley tobacco growers, an organization of 109,000 farmers in Kentucky, Indiana, Ohio, West Virginia, Tennessee, Missouri and Virginia, face a good business outlook for 1927. Geoffrey Morgan, general manager, Dark Tobacco Growers' Cooperative Association--The dark district here has a more favorable outlook, as there is a tendency in European countries to grow less tobacco....."

ST. LAWRENCE WATERWAY URGED

The press to-day reports: "The Hoover commission, appointed by President Coolidge early in 1924 to advise upon the development of a shipway from the Great Lakes to the sea, has reported unequivocally in favor of the St.Lawrence waterway route, against the two rival projects for an all-American canal to the Hudson and the Lake Ontario-Hudson-Welland Canal route....."

Section 2

Barnes on Farm Situation

Julius H. Barnes is the author of an extensive article entitled "Is There a National Farm Problem?" in Nation's Business for January. I this he says: "There is no all-inclusive farm problem. Farm distress shifts from year to year, from crop to crop, and the unprofitable commodity, to-day, becomes the source of farm income, tomorrow. Generalization, which in 1920 would have unwarrantably denounced the farm as greedily unfair because the capital value of agriculture--far ahead of other industry--had raced in twenty years from twenty billion to sevent eight billion dollars' value, should not to-day picture the farmer as c the road to peasantry. Agricultural generalizations are likewise misleading when they lump averages such as those of two States where 56 per cent and 59 per cent of farms, so called, are patches farmed largely by illiterate negroes. A single mule--or none at all--does not average well with the tractor and machine equipment of the progressive modern farmer. Yet these two types, opposite as the poles, are included in generalizations which purport to strike the average for the farm. Generalized statements as to the earnings and the future opportunity of the American farm, too, may be misleading when based on averages which include such wide range of types as tobacco, peppermint, celery, persimmon farms, orange groves, raisin, prune, and apple orchards, cattle ranges, wheat farms, dairy farms, corn farms, and the like. Such generalizations discourage and defeat a study of those particular forms of farming which need immediate and specialized advice and help. So, too, with the generalization of despair based on figures showing shifting relation between urban and rural population, picturing a flight from the unprofitable farm to the profitable employment of the city industry. Since food production is fully maintained with fewer farm workers, this view pictures something lost in national character and vigor....The American farm is not headed toward peasantry--not those farmed by Americans using American methods. To be sure, an illiterate and shiftless farmer, white or black, is not divinely entitled to his automobile and his radio! Conclusions expressed to-day after six years of disorganization in world markets on which the American farm has developed can not be safely used as a basis for farm policies and remedies without great care and scrutiny. The political philosophy in which this Republic was founded can not be safely violated under a plea of temporar distress of any section of our people."

Business Men's Farm Commission

An editorial in The Chicago Journal of Commerce for December 28 says: "The appointment of the business men's farm commission is the most promising effort yet made to solve the agricultural problem. Men of high prominence in industry, commerce, banking, and journalism have been jointly named to this commission by the National Industrial Conference Board and the Chamber of Commerce of the United States. Professor Graham of Princeton has been retained as economic adviser. This is obviously no mere complacent attempt to give the farmers another respectable lecture. The men named to this commission are anxious to help the farmer if they can, because as long as the farmer remains unhelped there is something fundamentally wrong in the entire American economic situation. The National Industrial Conference Board, in its elaborate report of some months ago, frankly recognized the existence of agricultural distress. The disparity between the increase in the farmer's purchasing power, and the purchasing power of the rest of the country, was pointed out. Equally sincere will be the business men's commission. And when sincerity and earnestness are joined to intelligence, the result should be helpful."

Corn and Railroads

An editorial in The Chicago Journal of Commerce for December 28 says: "The Bureau of Railway Economics has issued a study of the relationship of corn prices to transportation costs. Once again it is demonstrated that the cost of transportation is less of a factor in the corn producer's prosperity than is commonly supposed. The American rai ways have been giving efficient service, at a remarkably low cost, to the corn producers and to all the rest of agriculture. Incidentally the report points out that corn ranks first among all American agricultural products. The United States produces 68 per cent of the corn of the world. And 76 per cent of the American production is in the thirteen States of Iowa, Illinois, Nebraska, Missouri, Indiana, Ohio, Minnesota, South Dakota, Kansas, Texas, Wisconsin, Kentucky, and Tennessee, listed in the order of production. Iowa and Illinois, situated in the center of the Corn Belt, produce more than one-fourth of the American corn crop. That corn is the greatest American agricultural product is a fact which deserves to be borne in mind at the present tim when unhesitant and intelligent efforts must be made to defeat a fearfu enemy of the corn crop and the Corn Belt. This enemy is the corn borer ...."

Electricity in Missouri

A St. Louis dispatch to the press of December 30 states that the number of Missouri farms which are being supplied with electric current from 119 separate light and power systems has increased 70 per cen since 1924 and now totals 3,766.

Farmer Migration

An Okeechobee, Fla., dispatch to the press of December 30 states that a migration to Florida is being made by farmer descendants of Swedish and German residents of Ohio, Wisconsin and Iowa. Four hundred of them have purchased 10,000 acres near this town, and 40 families are on their way to clear the land.

Farm Trend

An editorial in The Baltimore Sun for December 29 says: "The fourth annual survey of the National Association of Eastern Real Estate Boards reports a trend back to the farm. Various reasons are assigned for this development, among them belief that deflation in value of farm land is at an end; desire to make a home and, more surprising, anticipation of making farming pay as a business. If the survey is not thorough enough to be accepted as definite proof of its findings, it covers so wide a territory as to lend considerable significance to them. Shrinkage in the money value of agricultural land has been going on since the war, during which the high price of farm products induced tremendous overcapitalization. The man who got record-breaking prices for his cotton, tobacco, wheat and corn put a fancy figure on the farm which produced them. In Kentucky values jumped from $100 to $250 and $350 an acre. In Iowa the upward swing was more marked and the close of the war found farmers raising wheat on land that cost $600 an acre. In every section of the country the story was the same, a condition which was largely responsible for the widespread depression, the 'frozen credits' and the collapse which followed. While high wages in cities continue and the purchasing power of the farmer's dollar remains low, a swing back to the farm of large proportions would not seem possible. If such a development came about through return to agriculture of people able to buy the better class of land, it would intensify competition with the large acreage among our six millions of farms which

are now unremunerative. Condition of owners of unproductive farms would be worse than ever, but there are students of the subject who believe solution of the agricultural problem will ultimately be found in the gradual elimination of this class by intensive and scientific farming practices."

Grass

An editorial in The Wall Street Journal for December 30 says: "'What shall I do with 10 per cent of my land?' This is a question asked by a southern reader in a communication published in this newspaper on November 29. Having apportioned 60 per cent of his land to cotton and 30 per cent to foodstuffs he asked that a cash crop be suggested for the remaining 10 per cent. Another reader in reply says: 'Why not put it in grass?' Here is a question that should provoke Nation-wide discussion. We cultivate about 350,000,000 acres of land, of which about 250,000,000 are devoted to feed and forage for the live stock. In addition to this there are about 1,000,000,000 acres in pasturage. This ranges all the way from cultigable land in grass to cut-over and forest ranges. Out of the great total perhaps 60,000,000 acres of cultivable land in the humid regions are used and abused as pasture. 'Abused' is the right word, because practically no attention is paid to the land that carries the livestock for at least eight months of the year. But the reply was directed to a southern reader, and his case should be considered first....Cotton is the great cash crop of the South, and if by use of the 10 per cent of the land in grass the yield per acre on the part devoted to cotton is increased, would he not be increasing his income? Scientists say that the absence of barnyard manure is the greatest weakness in southern agriculture. No matter what may be the type of soil its application greatly increased the yield. There is no crop that responds more readily to it than cotton. If, therefore, that extra 10 per cent were put into pasturage and more livestock maintained it is certain that much more cotton could be raised per acre. Grass would increase the main cash crop."

Livestock and Meat

The American livestock and meat industry enjoyed a fairly satisfactory year during 1926, and the outlook for 1927 is encouraging, according to a statement issued Dec. 31 by the Institute of American Meat Packers through its president, Oscar G. Mayer, of Chicago. "Farmers not only received upwards of one hundred million dollars more for their livestock this year than they did during 1925, but they also were able, by marketing corn on the hoof, to receive a price for that important farm product that was greatly higher than quotations prevailing in the open market," Mr. Mayer stated. "In the packers' export field, the results during 1926 were rather unsatisfactory. The trade, which consisted almost entirely of pork products, declined about 8 per cent in volume and about 10 per cent in value. Nevertheless, exports of Ameridan meat products exceeded a billion and a quarter pounds during the year and brought into this country from abroad, chiefly Europe, an amount in excess of two hundred million dollars. "Notwithstanding unusually heavy receipts of grain-fed cattle during the late summer and fall months, with a consequent decline in prices, the general average price of cattle was slightly higher than in 1925. The prices paid for hogs and calves also averaged slightly higher than in 1925, although sheep and lamb prices averaged lower...."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Dec. 31: Chicago Livestock Quotations: Top price of hogs is 15¢ higher than a week ago and bulk of sales are 25 to 30¢ higher. Lower grades of beef steers declined around 25¢ with the better grades losing from 25 to 75¢; heifers advanced 25 to 50¢ and cows remained steady. Vealers were $1 to $1.25 higher with heavy calves and stocker and feeder steers unchanged. Fat lambs are steady to slightly higher, yearling wethers 75¢ higher and feeding lambs steady to 25¢ up. Fat ewes are unchanged from a week ago. New York wholesale fresh meat markets on western dressed, good grade meats are steady on steer beef, veal,lamb, mutton and heavy cuts of pork loins but $1 lower on lamb and light weight pork loins, compared with a week ago.

Maine sacked Green Mountain potatoes 5¢-30¢ higher per 100 pounds in the East; bulk stock $2.45-$2.50 f.o.b. Presque Isle. New York and Northern Round Whites $2.50-$2.75 in terminal markets. Onion irregular. Cabbage slightly lower. New York Danish type $25-$32.50 bulk per ton in city markets; mostly $21 f.o.b. Apple markets steady. New York Rhode Island Greenings $3.50-$4.75 per barrel in consuming centers. Baldwins $3-$3.50 in most markets.

Butter prices declined sharply early in the week ending Dec.31. These declines were largely brought about by heavy arrivals of New Zealand butter. Later confidence was partially regained and prices recovered some of the losses. Short supplies feature the situation.

Cheese markets continue their steady trend with prices on the cheese boards at Plymouth, Wisconsin, on Dec. 24, showing no change from the previous week. Margins continued fairly satisfactory, although some distributing markets report sales at less than replacement costs.

Grain market nearly steady for week. Trading limited account holidays. Wheat prices holding about steady after decline. European markets also quiet account holidays. Corn prices slightly lower with increasing movement of new corn which is more than equal to current needs. Oats relatively firm and high quality oats wanted.

Average price of Middling spot cotton in 10 designated spot markets advanced 23 points during the week, closing at 12.29¢ per lb. January future contracts on the New Orleans Cotton Exchange advanced 24 points, closing at 12.69¢. (New York closing futures not available.

Hay market about firm. Fair demand absorbs rather liberal offerings. Shipping demand South and East good. Alfalfa receipts producing markets liberal. Minneapolis receiving prairie and alfalfa southwest.

Feed markets generally quiet. Buyers and sellers waiting until after holidays. Wheatfeeds barely steady. Cottonseed meal steady but linseed meal slightly weaker. Gluten feed moving readily at unchanged prices. Offerings fairly liberal in eastern markets. Hominy feed barely steady. Alfalfa meal quiet. (Prepared by Bu. of Agr. Econ.)

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Vol. XXIV, No. 2 Section 1 January 4, 1927.

AGRICULTURAL SUPPLY BILL TO SENATE

The Associated Press to-day reports: "The annual agricultural supply bill was reported to the Senate yesterday by the appropriations committee with an addition of $201,904 to the House total of $128,379,385. In presenting the bill Senator McNary said he would ask for action to-day. Increases proposed by the committee included $6,544 for the Weather Bureau for the weather-warning service; $33,095 for the investigation of diseases of forest and ornamental trees and shrubs; $21,700 for investigations, experiments and demonstrations by the Bureau of Dairy Industry, and $25,000 for acquiring and diffusing information on farm products."

INTERNATIONAL HIGHWAY ASKED

Congress was asked yesterday to authorize negotiations looking toward a great international highway linking the capitals of Canada, United States and the seventeen republics in Central and South America after the proposal had been presented at the White House. Senator Cameron of Arizona, who discussed the plan with President Coolidge, introduced the measure in the Senate, and, like Representative McLeod of Michigan, who offered it in the House, viewed the highway of vast importance in developing new commercial markets and contributing to the good will between the new world nations. The bill carries no appropriation, but provides salaries and expenses for a three-member commission, which would investigate the best connecting points between the various countries. (Press, Jan. 4.)

PACKERS' PLEA DISMISSED

The Washington Post to-day reports: "The appeal of Armour & Co., Swift & Co., Wilson & Co., the Cudahy Packing Co. and Morris & Co., which constitute the 'big five' of the meat packing industry, from the injunction decree of the equity courts which required them to confine themselves to the meat business and its by-products, was dismissed yesterday by the District of Columbia Court of Appeals for want of jurisdiction. The appellate tribunal did not bother itself with the merits of the injunction decree, which was consented to by the packers under threat of prosecution under the anti-trust laws. The decree was signed February 27, 1920, and is known as the 'Consent Decree.' The equity court overruled a motion by the packers to declare the decree void and an appeal was noted. The Department of Justice then asked the appellate court to dismiss the appeal for want of jurisdiction. Arguments on the department's motion were heard at the same time as arguments concerning the merits of the injunction bill....."

OATS TRADING

The New York Times to-day states that a turnover of about 500,000 bushels of oats marked the beginning of trading in this commodity on the New York Produce Exchange yesterday. Activity was well sustained. Operations were closely watched by the trade.

Section 2

Cooperation in Ireland

An editorial in The Irish Statesman (Dublin) for December 18 says: "At the inaugural meeting of the Agricultural Society, University College, Doctor Kennedy commented on the fact that Ireland was the one agricultural country where the necessity for agricultural cooperation must still be argued. He showed the tremendous development of cooperative marketing in the United States and other countries, and we surmise that the new secretary of the Irish Agricultural Organization Society has it in his mind to build on the foundations laid by his predecessor federations for marketing of produce. It seems to us right to concentrate on this, because it is here we have been weakest. Sir Horace Plunkett, Mr. Anderson, and the pioneers of last generation drew the individual farmer out of his isolation and joined him with his neighbors in local associations. There the cooperative spirit stayed. It was difficult to enlarge it from the peasant to the Nation....We believe the depression of the last few years, the growing competition of our foreign rivals, has brought about a psychological change, and we think it very likely that by the time the national brand for Saorstat butter is established the dairy societies, all the best of them, those which have risen in production to the standard required, will be ready to federate for national marketing of their produce....."

Land Grant Colleges

An editorial in The Baltimore Sun for December 30 says: "The Bureau of Education of the Department of the Interior is asking Congress for an appropriation of $117,000 to make an investigation of land grant colleges. The work will take two years and the colleges themselves are said to have instigated the plan. Originally designed to aid agriculture, these institutions, created sixty years ago, we are now told by Dr. John J. Tigert, United States Commissioner of Education, 'do not know where they are.' In some States they are part of, in others separate from, State universities. In one place they duplicate the work done at the university, but everywhere their real purpose and how to advance it presents a serious problem. The heads of them, says Doctor Tigert, 'are honestly groping around to discover more accurately the function and scope of these institutions.' Appropriations to the colleges since their establishment have run into huge figures, and it will be agreed that sixty years is time enough for them to discover their field of work. An investigation may be the only way to help them find it, but the taxpayer will reluctantly anticipate that the survey will report their chief need to be more money."

Livestock and Meat Situation

A review of the livestock and meat situation, issued Jan. 3 by the Institute of American Meat Packers, states in part: "With an unsteady demand for beef and a fluctuating market for pork products while hog prices remained at relatively high levels, the meat trade during the month just ended was rather unsatisfactory. There was a good volume of trade in fresh pork products in the domestic field during the month, reflecting good industrial conditions. Prices, however, fluctuated considerably owing in part to irregular receipts of hogs, and were low in comparison with the cost. In the export field the demand was unusually dull. Trading, for the most part, was confined to sales from stocks previously landed abroad. Prices of meats in the United Kingdom, especially of hams, declined. Although ordinarily there is a good holiday lard trade, this year it was of small proportions and prices were unsatisfactory. Hog receipts were somewhat

smaller than in December, 1925. Prices declined during the first part of the month, but advanced later to a point where a top price of $12.00 per hundred pounds was reached. The dressed beef markets opened with a fair demand but became very slow and draggy, with the customary seasonal decline. Hide stocks are well sold up to production. Prices were about steady."

McNary-Haugen Bill — An editorial in The Indiana Farmer's Guide for Jan. 1 says: ".....The Middle-West presents a united front in favor of the McNary-Haugen bill, and it is a forgone conclusion that if the administration fails to support it, there will be dire political consequences for all concerned. It is highly gratifying that the Middle West is asserting itself at last. It is high time that the East is learning that there is some country that belongs to the United States out here west of the Alleghenies. In some respects eastern industry can not be blamed for its ignorance of the farm problem of the Corn Belt, for the farm interests of the Eastern States do not see the problem in the same way as do the farmers of the Mississippi Valley, hence industry has not had a fair opportunity to learn. The Mississippi Valley is the 'bread basket' of America, and its people must be given more consideration than they have had in the past."

Railroad Consolidation — Prompt enactment of legislation to remove the obstacles which for nearly seven years have blocked the path of railroad consolidation is urged in a communication sent to the Senate interstate commerce committee Dec. 30 by John W. O'Leary, president of the Chamber of Commerce of the United States. "It is generally accepted," says Mr. O'Leary, speaking for a majority of the 1,400 business organizations embraced in the national chamber's membership, "that some degree of consolidation is desirable.....The national chamber believes that it is practicable to remove these obstacles by legislation and feels that this is one of the most important matters before Congress. The Chamber is in favor of the major provisions of the Parker-Fess Bill....."

South and West and Farm Relief — Clarence Poe is the author of an extensive article in Wallaces' Farmer for December 31. He says in part: "One of the most significant meetings of this decade was the conference of southern and western agricultural leaders recently held in the historic city on the border line between South and West--St.Louis, Missouri. For nearly a generation now--since the final collapse of the Farmers' Alliance movement in the early '90's--there has been little effective cooperation between the farmers of these two great producing areas of America. At times the farmers of the South have been fairly well organized in some association, and at other times the farmers of the West have been fairly well organized in the same association or some other, but at no time have we had a powerful organization representing authoritatively both of these areas; nor have leaders of one of these sections frequently taken pains to consult leaders from the other section....Sweet, however, are the uses of adversity, as was long ago observed; and now that the farmers of both the West and the South are suffering from a common calamity, the leaders of both sections are beginning to see the absolute necessity for team-work and cooperation. And whenever we say that there exists a powerful community of interest that should forever cement the agricultural West and the agricultural South, we are indulging in no

idle or empty assertion. The prosperity of southern farmers vitally affects western farmers, and vice versa. While the Progressive Farmer has always advised southern farmers to diversify, we realize that the first thing the southern farmer always plans to do is to keep the cotton buying world supplied with cotton. That is something we can grow, and the North and West can not. And so long as cotton prices remain profitable, the South(through its rapidly increasing town and manufacturing population, in addition to its one-crop cotton farmers) will long be a big and profitable customer for western meat, flour, meal and lard.....In like manner, the southern farmer realizes that the millions of farmers in other sections of America constitute about the best customers for southern cotton goods, and that if the northern and western farmers are prosperous, their prosperity will therefore be reflected in a better demand for cotton goods and therefore better prices for lint cotton.....It is indeed gratifying that southern and western farm leaders have realized the necessity for cooperation. They have acted wisely. But if they are to succeed, they must also realize they will be impotent at Washington unless thoroughly organized farmer-groups are behind them. The wisdom of a few can not save the situation. The duty of every farmer to join some organization and through it study--really study--farm problems in cooperation and consultation with his brother farmers--this duty can not be too strongly emphasized."

Values

An editorial in The New York Times for December 30 says: "Expert actuarial opinion, speaking before the American Statistical Association at St.Louis, estimates the value of the total of human life in the United States at two thousand billion dollars. This parade of twelve zeros after the numeral 2 ceases to be stupendous when brought into relation with figures already familiar. For a total population of approximately 115,000,000 it denotes a per capita value of $17,500. For a country with a national wealth estimated at about $400,000,000,000 it means that the life energies at present existing in the United States may be expected in the course of their natural term of operation to create five times the present national wealth, of which product, of course, by far the greater part will be consumed. For a country with an annual income of about $80,000,000,000 it means that the statisticians have placed the wealth-producing capacities of the average American at somewhere between twenty and twenty-five times his annual income. Such a term of earning capacity is obviously not too great...."

Section 5

Department of Agriculture

In an editorial on the Secretary's annual report The Indiana Farmer's Guide for Jan. 1 says: "....In general, the Secretary painted an encouraging picture, or at least a brighter scene than 12 months ago. Such a conclusion, of course, was reached when considering the entire 48 States. The Cotton Belt, on the other hand, showed a dark spot chiefly due to its present surplus, while the Corn Belt reflected a somewhat lighter shade although far from clear. The livestock producers and winter-wheat growers, he stated, have earned good returns, while the dairy sections of this country naturally lead in prosperity. Secretary Jardine gave but little encouragement to those who advocate legislation along the lines of the McNary-Haugen bill or similar measures, but recommended such Congressional action as would tend to aid [illegible] in their respective districts. The

Secretary's stand naturally coincides with the administration under which he is working. This was noted by comparing Mr. Jardine's agricultural recommendations with those made by President Coolidge in his address to Congress on December 7."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 3: Livestock quotations at Chicago. Hog prices, top at $12.

New York sacked Round White potatoes mostly $2.65-$2.85 per 100 pounds in eastern markets; $2.40-$2.50 f.o.b. Rochester. Wisconsin sacked Round Whites $2.30-$2.50 carlot sales in Chicago; $2.05-$2.25 f.o.b. Waupaca. New York Danish type cabbage ranged $25-$38 bulk per ton in eastern cities; $20-$21 f.o.b. Florida Pointed Type firm at $1.75-$2.50 per 1½ bushel hamper. New York and Midwestern Yellow onions at $2.50-$3 sacked per 100 pounds in most city markets; $2.25-$2.50 in Chicago. Best New York Baldwin apples $3-$3.50 per barrel in eastern cities; Michigan Jonathans $5-$5.50 in Chicago.

Closing prices on 92 score butter: New York 53¢; Chicago 48¾¢; Philadelphia 54¢; Boston 53¢.

Closing prices at Wisconsin primary cheese markets Dec. 31st: Single Daisies 25¼¢; Longhorns 26¢.

Average price of Middling spot cotton in 10 designated markets declined 15 points, closing at 12.14¢ per lb. January future contracts on the New York Cotton Exchange declined 12 points, closing at 12.50¢, and on the New Orleans Cotton Exchange they declined 16 points, closing at 12.53¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.45. No.2 red winter St.Louis $1.39. No.2 hard winter Kansas City $1.37. No.3 yellow corn St.Louis 73¢; Minneapolis 72¢; Kansas City 73¢. No.3 white oats St.Louis 47¢; Minneapolis 45¢; Kansas City 48¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 3,	Dec. 31,	Jan. 2, 1925
20 Industrials	155.16	157.20	158.54
20 R.R. stocks	120.09	120.86	113.10

(Wall St. Jour., Jan. 4.)

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Vol. XXIV, No. 3 Section 1 January 5, 1927.

IN CONGRESS The press to-day reports that in the Senate agricultural committee yesterday Senator Walsh of Massachusetts blocked consideration and action on the House bill to establish standards for imported milk and cream.

T. Edson White, president of Armour and Co., before the Senate agricultural committee yesterday, opposed the extension of Federal control to individual private yards of big packers on the ground that it would cut off one of the large sources of supply.

The joint library committee yesterday directed that a study be made of plans for creating a greater Botanic Garden on sites acquired and to be acquired adjacent to the present location, according to the press to-day.

OHIO TO ASK FARM AID A Columbus, Ohio, dispatch to the press to-day says: "Ohio, an industrial State, whose agriculture is a secondary interest, is to petition Congress for farm relief. A resolution to this effect was introduced in the General Assembly yesterday by Representative John T. Brown of Champaign County, and it is slated for adoption early next week. ....Mr. Brown's resolution memorializes Congress to make an earnest effort to enact such legislation at the earliest possible moment as may tend to protect our Nation from the effects of further agricultural decline, and offer whatever possible aid toward its recovery as may come within its power. Promoters of the resolution assert that similar memorials are to be adopted in all the mid-Western and Western States."

TREASURY SURPLUS The press to-day reports that the Treasury Department ended the first six months of the fiscal year 1926-27 on Jan. 1 with a surplus of $218,279,937.53. As income and profits taxes in the second half of the year, ending June 30, 1927, probably will be considerably heavier than has been estimated, because of the exceptional earnings of many corporations, a surplus of about $500,000,000 at the close of the fiscal year appears to be indicated, although officials still cling to the earlier prediction of $383,000,000 made by President Coolidge in his budget message to Congress. On Jan. 1, 1926, the surplus was $125,598,300.

ARGENTINE-BRITISH "MEAT WAR" A London dispatch to the press to-day says: "The three principal antagonists in the Argentine 'meat war' have made a settlement regarding the percentages of English trade which, as importers, they are to take. The firms are Armour & Co., Swift & Co., and the English firm of Vestey Brothers. The Smithfield and Argentine Meat Company, with several smaller firms, is still holding out for a bigger percentage than that which has been offered to it, but while keen competition will doubtless be continued, though on a lesser scale, it is stated that the present agreement will involve the greater part of the interests concerned....."

Section 2

Cotton Crop

An editorial in The Wall Street Journal for January 4 says: "For some time to come the year 1926 should stand as a record in cotton history. Adding probable production of linters to the official estimate of lint makes a total that comes near to 20,000,000 bales. Never before has the world seen such a cotton crop. To visualize this crop, look at the world consumption of cotton, the growth of all producing countries. In the season ending July 31,1924, this consumption was 20,629,000 bales; in the season ending July 31, 1925, it was 23,299,000. In the year 1926 we produced 95 per cent as much cotton as the world consumed of all kinds in 1923-1924. When we shall see another such crop will depend upon the expansion of the world's consuming power. We have given proof that with favorable weather we can produce all of our kind of cotton the world desires. The campaigns for a greater yield to the acre and the wide areas of untouched virgin soil in the Southwest make this assurance doubly sure. Price will be the controlling factor....But reduction of acreage and output can be carried too far. While it is true we can produce all the cotton the world wants, we are not sure the world will want all we produce--at our own price. A small production for the purpose of boosting prices will have the same effect as an extortion price in any line of manufacture, that is, competitors will be encouraged. Not many in the United States are willing to acknowledge this, but the statistics given by the International Institute of Agriculture show this would be the certain result of a small production of and high prices for American cotton. Last year's great crop, in its money value so disappointing to the producers, will be of great benefit to the consumers. Already 13,000,000 bales have come into sight. Domestic mill stocks, exports, port stocks, and afloat are all larger than last year. Cheaper cotton should expand its consumption and lead to a still greater use of it. When will the world be able to consume 20,000,000 bales of American cotton? We know that the world is settling down to the ways of peace after the waste of war. Cotton is fundamental and there are many peoples rising out of barbarism into civilization, developing new needs and wants. If we improve our methods of culture we should be able to hold that expanding market even up to 20,000,000 bales, and furnish the cotton at a price profitable to both producer and consumer."

Farm Labor in Australia

The shorter workday has struck Australian farming. A decision by the State Employees Board of New South Wales limits hours of labor of agricultural workers to 50 hours a week for harvest hands and 52 hours for permanent farm hands. Work performed in excess of these limits to be paid for at time-and-a-half rates. Twelve months full service shall entitle the worker to a week's vacation at full pay. Legal holidays are also allowed permanent employees with full pay.

Farm Land Values

An editorial in The Wall Street Journal for January 1 says: "Average value of farm lands for the country, as a whole, on March 1, 1926, was $76.47 an acre, against $107.89 in 1920. Thus, in six years the average value has shrunk 30 per cent. This means that the water is being wrung out of farm land values and prices are being based increasingly on income production. There is a great diversity in the rate of change. In some States, like Massachusetts,

the average value is greater now than in 1920. It is so in the Texas Panhandle, where a former cow country is being turned into one of cultivated crops. But in other sections, particularly the Middle West, the decline is surprisingly large, Iowa, for instance, falling from an average of $255 to $155 an acre. In order to produce an average of $255 an acre much land must have been priced at a greatly higher figure. Sales have been reported running from $400 to $600 an acre. About forty bushels of corn to the acre is Iowa's average. It should be obvious at a glance that land valued at $255 an acre could not produce enough to pay interest and taxes above the costs of cultivation....As for the future, there may be a gradual increase in value. Farm population has decreased to less than 30 per cent of our total, while the cities are increasing their percentage. That means large markets for the farmers of the future. But it is not safe to say that, because our land area is fixed, increasing population will press more heavily upon the food supply. Malthus made the mistake of overlooking the possible improvement in the technique of agriculture. Undoubtedly, the farmer of the near future will farm more intensively and produce greater yields. There is more than an even chance that farm lands will gradually and rightfully appreciate--with all the inflation squeezed out."

Farm Values

An editorial in The Journal of Commerce for January 4 says: "According to the Department of Agriculture, which has been looking into the subject, farm real estate values which were approximately 30 per cent lower on March 1 than six years ago have shown an apparent steady trend toward stability. However, the investigators cautiously add that 'although there is as yet no assurance that the bottom has been reached' there has been a lessening of rate of decline. This is not very comforting for the farmer. As a matter of fact most of the investigations and analyses of farm real estate values that have been made have but little basis behind them. Farm land values depend essentially upon farm product prices. If the prices of farm products are likely to drop, as cotton lately has, by 50 per cent at almost any time, there can certainly be no assurance that the 'bottom has been reached.' Neither can there be any safety for bankers in making long frozen loans on real estate so long as the agriculture of the country is in a speculative condition. What is urgently needed to-day is to induce the farmer to get down to a point where he recognizes that he is obliged to compete on equal terms with the foreign producer in a great many branches of business, and that none of the artificial schemes for enhancing prices that have been suggested will help him much. Three factors are mentioned by the Department of Agriculture as tending to help check further declines in farm values. One is the lessening of farm mortgage interest rates, the easing of the credit situation in country banking and the larger supply of investment funds in the market. For the information of the Department of Agriculture there is no harm in stating that these 'factors' will be likely to have no perceptible effect upon farm values. If this is what the department depends upon to produce stability, it is reckoning without its host."

St.Lawrence Waterway

An editorial in The New York Times of January 3 says: "The report of the United States St.Lawrence commission demonstrates conclusively the need of a deeper waterway from the Great Lakes to the sea. The opening of the Panama Canal, followed by the rise in

railroad freight rates, put the Middle West at an economic disadvantage. Taking as a unit the cost in cents of carrying a ton of staple goods over the cheapest route, Mr. Hoover shows that since pre-war days Chicago has moved 336 cents away from the Pacific Coast, while New York has moved 224 cents closer. In the same way Chicago and other Midwest points receded from the markets of the Atlantic seaboard and South America. A waterway outlet from the Middle West offers the farmer relief far more lasting and substantial than the various direct aids for which some of his political spokesmen are still clamoring.....Well aware that the chief opposition to the St.Lawrence project comes from the Atlantic seaboard, and particularly from New York, Mr. Hoover closes his letter to the President with a special appeal. He points out that the total tonnage available for the waterway to-day is less than 4 per cent of that now carried by the railroads connecting the lakes and the sea, and less than 12 per cent of the sea shipments now moving through the ports affected. He argues that increased population and traffic will quickly recover that amount of diverted tonnage and that New York City is in no danger of losing her commercial supremacy."

An editorial in The Journal of Commerce for Jan. 4 says: "Secretary of Commerce Hoover has taken occasion once more to go on record as being strongly in favor of an early development of the St.Lawrence Canal route which is supposed to be so popular in the Middle West. The argument put forward in behalf of this project is familiar and hardly needs further discussion at this time. The burden of it is that in this way the grain grower and other agricultural producers of the West would be provided with a much cheaper route to Europe, and that, accordingly, better prices for such products would obtain on the farm. There are a number of elements in this line of reasoning that now, as always, raise a good many doubts in the minds of well-informed observers. First and foremost, how can Secretary Hoover be certain that the farmer and not the foreign consumer will obtain the benefits, if any, to be derived from lessened transportation costs? Certainly that would seem in the final analysis to depend upon the supply in relation to demand. If our farmers with every improvement in conditions and sometimes without them increase their production, they can hardly expect to fix the price at which they will sell."

Wheat Pools in Canada

An editorial in The Grain Growers' Guide (Winnipeg) for December 15 says: "When the delegates at the U.G.G. meeting in Calgary decided not to accept the offer of the three wheat pools to purchase the company's grain-handling facilities, their decision was undoubtedly a wise one and will have a far reaching effect in the years to come. In declining the pools' offer there was no antagonism whatever towards the pools, as may be judged by the fact that probably three-quarters of the delegates were members of one or other of the pools, as well as shareholders in the U.G.G. It was a cold, hard headed business proposition which the delegates had to decide upon and there was no doubt in their minds that they wanted both the pools and the U.G.G. to remain in existence in order to provide the very best possible service to the farmers in all three provinces in the marketing of their wheat and coarse grains... The pools in western Canada have been the most phonomenal development in grain marketing in recent years. But while the pools have

made an extraordinary development they are still in the experimental stage and that experimental stage will really not be passed until the second sign-up is completed and pool members themselves, after four or five years experience, have had an opportunity to decide whether they prefer the pool system of marketing. During the past year, while the pools marketed 187,000,000 bushels of wheat there were 174,000,000 bushels marketed outside the pools. There were 25,000,000 bushels of coarse grains worked through the pools and 107,500,000 bushels outside. Thus the pools marketed 52 per cent of the wheat, while of coarse grains the pools marketed 23 per cent....During 20 years the U.G.G. has weathered many storms and passed through a number of bitter fights to maintain its existence. To-day, however, it is financially very strong, and in the best position it has ever been to render service to its 36,000 farmer shareholders...."

Section 3
MARKET QUOTATIONS

Farm Products

Jan. 4: Chicago quotations as of January 4: Hogs, top, $11.85, bulk better grades 140 to 250 pounds $11.70 to $11.85. Beef steers choice $10.40 to $12.50, good $9.75 to $11.75, medium $8.60 to $10.25, common $6.50 to $8.50. Heifers, good and choice, $7 to $11.25, common and medium $5.75 to $8.25. Cows, good and choice $6 to $7.50, common and medium $5 to $6, low cutter and cutter $4.15 to $5. Vealers, medium to choice $10 to $13, heavy calves, medium to choice $6 to $8.50. Fat lambs medium to choice $10.75 to $13.15, yearling wethers, medium to choice, $8 to $11, fat ewes, common to choice, $4.25 to $6.75, feeding lambs, medium to choice, $10.75 to $12.50. New York wholesale quotations, western dressed, good grade meats, as of January 4: Steer beef $15 to $17, veal $18 to $20, lamb $22 to $25, mutton $12 to $14, light pork loins $23 to $25, heavy loins $20 to $22.

New York sacked Round White potatoes ranged $2.65-$2.85 per 100 pounds in eastern cities; mostly around $2.50 f.o.b. Rochester. Wisconsin sacked Round Whites $2.35-$2.50 carlot sales in Chicago; $2.05-$2.20 f.o.b. Waupaca. Delaware and Maryland yellow sweet potatoes sold at $1-$1.35 per bushel hamper in eastern markets. Tennessee Nancy Halls $1.25-$1.40 in the Middle West. New York Danish type cabbage $22-$35 bulk per ton in leading markets; medium sizes $20-$21 f.o.b. Rochester. Florida Pointed type $1.50-$2.50 per 1½ bushel hamper in a few eastern cities. New York Baldwin apples sold at $3-$4 per barrel in terminal markets; $2.75 f.o.b. Rochester. Michigan Jonathans $5-$5.50 in Chicago.

Average price of Middling spot cotton in 10 designated markets advanced 19 points, closing at 12.33¢ per lb. January future contracts on the New York Cotton Exchange advanced 20 points, closing at 12.70¢, and on the New Orleans Cotton Exchange they advanced 20 points, closing at 12.73¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.39-$1.43. No.2 red winter St.Louis $1.38. No.2 hard winter Kansas City $1.35. No.3 yellow corn St.Louis 75 cents; Minneapolis 72. Kansas City 73. No.3 white oats St.Louis 47 cents; Minneapolis 45; Kansas City 47. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 4,	Jan. 3,	Jan. 4, 1926
20 Industrials	155.53	155.16	158.75
20 R.R. stocks	119.57	120.09	112.40

(Wall St. Jour., Jan. 5.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 4 Section 1 January 6, 1927.

THE SECRETARY ON MARKETING ORGANIZATIONS

Secretary Jardine's talk in Baltimore yesterday is reported by the Baltimore Sun to-day as follows: "The formation of national, and perhaps even international organizations, powerful enough to control the production and marketing of agricultural products will provide the only solution of the farm problem of to-day, William M. Jardine, Secretary of Agriculture, told more than 1,000 members of the Maryland Farm Bureau Federation in convention at Baltimore yesterday. He asserted that until the same business principles which had made the United States the foremost industrial nation of the world were applied rigidly by farmers to their own individual industry, there could be no orderly planning of production or scientific marketing of crops on a cost-plus basis. Mr. Jardine asserted that the way already had been pointed out for the release of the American farmer from antiquated methods which placed him wholly at the mercy of unscrupulous middlemen and he predicted that cooperative associations would grow by leaps and bounds during the next decade. The Department of Agriculture, he said, already has worked out comprehensive plans for the building up of strong farm organizations and is ready to furnish experts and advice to assist in their formation. 'What American agriculture needs to-day, above all else, is marketing power,' Mr. Jardine said. 'We have become great industrially because of the development of mass production and of our ability to outsell and to undersell in all the world markets. In no other line of effort do men murder each other as in agricultural pursuits. The ordinary farmer does not cooperate with his neighbor, does not seek to plan with him. Instead, farmers only try to outproduce each other. Well-managed cooperative associations have proved that they can and do return to the producer often as much as eighty-five per cent of the consumers' price. In the ordinary marketing methods experience has shown that in many cases little more than thirty-five per cent of the consumers' price is received by the producers....The American Government has plenty of money and it is willing to spend that money if it is to get us anywhere. The Department of Agriculture is dynamically behind cooperative, marketing and is doing its utmost to promote all plans for the lifting of agriculture to a better business level and for increasing the prosperity of the industry as a whole.'....."

IN CONGRESS

The Senate January 4 passed the agricultural appropriation bill carrying a total of $128,601,589, an increase of $222,204 over the bill as passed by the House and $20,300 over the recommendations of the Senate subcommittee. All of the increases recommended by the Senate committee were agreed to, totaling $201,904. In addition to these, further increases of $20,300 were made.

The House yesterday received a communication from President Coolidge transmitting a draft of proposed legislation approving the action taken by the Secretary of Agriculture in using funds for the eradication of foot and mouth disease to extend immediate relief to owners of crops and livestock damaged or destroyed by hurricane in the State of Florida during September 1926.

The House agricultural committee yesterday reported favorably the Purnell bill appropriating $10,000,000 for fighting the European corn borer, according to the press to-day.

Section 2

Farm Relief Legislation

An editorial in The Northwestern Miller for December 29 says: "The long awaited ideal solution of the farm relief problem appeared in Congress last week in the form of bills introduced in the Senate and House. An outline of the provisions of the new scheme, prepared by Sydney Anderson, president of the Millers' National Federation, appears elsewhere in this issue, and invites reading....Fortunately, there are not likely to be enough votes in either house of Congress, if indeed anywhere in the world outside of Russia, to pass such an absurd law. Even though there are important political considerations to be served by attempt to appease agrarian demands, Congress is too well meaning in the individual and far too intelligent in the mass to enact legislation which could at best result in nothing but unlimited confusion and make the difficulties of agriculture even worse than they now are. Were it not that they are known to be men of serious minds, there would be temptation to believe the authors of this new scheme guilty of a misguided attempt to be funny. The difficulty is that the farm felievers are trying to do the un-doable. They want to raise the price of farm products without forcing any one to pay more for them, to put money in the farmer's pocket without any one having to provide the cash, to play at socialist legerdemain without giving it the name of socialism. Not one of them has the courage to declare in favor of an out and out subsidy to agriculture to be paid out of the Treasury, which, in the final analysis, is the only way the farmer can be made independent of the natural equation of supply and demand...."

Florida Real Estate

The New York Times of January 3 publishes a statement from its Palm Beach correspondent upon real estate conditions in the State. This says in part: "The great Florida real estate boom which was reputed to have made thousands fabulously rich over night and to have caused cities to rise almost by magic from reclaimed swamp lands or barren wastes of sand is completely in eclipse at this moment and there is instead in prospect a period of growing depression which threatens to become more acute as the winter season advances. Scarcely a section of the State is unaffected by the slump although conditions, of course, vary considerably, and everywhere a sincere effort is being made to recuperate. Of the forty-two banks closed during the year, twenty-two have reopened....There is no standard of real estate values in Florida to-day and save for a few sporadic sales of medium priced home sites there is no activity in the real estate market.... Responsible persons interested in the development of the State frankly admit that there are hard times ahead. Florida, they say, is passing through a critical reconstruction period. A readjustment of the values of pre-boom days is inevitable, and they say that this can be accomplished only under the most trying circumstances. But they are confident also that the advantages which have contributed to the State's prominence will insure its future prosperity on a sounder and more normal basis. For, besides its incomparable climate, Florida has great potential possibilities in the fertility of its soil and in its vast resources of citrus fruits, minerals, fisheries and naval stores."

McNary-Haugen Bill

An editorial in The Wall Street Journal for January 5 says: "Agricultural surplus is a vicious monster, ever seeking farmers to devour. In the Senate and House Senator McNary and Congressman Haugen have introduced twin bills purporting to free the farmer from this

menace. But, instead of eliminating the monster, they plan to chase it around a small circle so that it must be forever returning to the farmer's door. The harder it is driven the bigger and more dangerous muscle it is likely to take on. The farmer who looks facts in the face can want no such 'help' as this.....The main idea is in 'removing or withholding or disposing of the surplus of the basic agricultural commodities.' Cotton, wheat, corn, rice and swine are the commodities declared to be basic. Whenever 'surplus' hays at the door of the producer of any of those commodities, the board created by the proposed law is to come to the rescue. It does not kill the monster; it chases it round the house, and back to the farmer's door. Two agencies are the active causes of a surplus--the weather and the farmer himself. The weather, of course, is beyond control, but in the long run it averages. But as for the farmer himself a surplus is a question of past prices. When there is a market glut of products the price drops and the farmer plants less. When the supply is small or close to demand the price goes up and the farmer plants more. The law of supply and demand regulates prices and prices are the determining factor in the production of surpluses. On this account the farmer is continually chasing prices and almost invariably behind....The Department of Agriculture made a study of the factors affecting prices of hogs. It found that most farmers decide future production on the basis of current or past prices, expanding production if prices are favorable and contracting if unfavorable. Result: Five years out of seven they have many hogs to sell when prices are low and few when prices are high. This is true of all production. The McNary bill proposes to reward farmers for producing a surplus, encouraging the production of a still greater one the next year. It is a program of running around a circle and getting nowhere."

Packing Industry

Tracing the vast changes which have occurred in the last few years in the livestock and meat industry, F. Edson White, President of Armour and Company, in an address recently before the Institute of American Meat Packers, declared that notwithstanding present problems, the meat packing industry looks "to the future with greater confidence than at any time since the war." Belief that the packer could charge any price for his product and compel the consumer to pay it, was ridiculous, Mr. White said, although that viewpoint, he asserted, is "very popular among certain agricultural economists." He said further: "Of all the intermediary agencies between production and consumption, the packer alone feels the pressure from the producer for high prices and from the consumer for low prices, and, in his efforts to put all of his products into the trade, he finds the final prices almost automatically adjusted for him. Between the packer and the producer, every one is interested in obtaining high prices because they create profits and stimulate volume of production. The upward pressure is tremendous and very few consumers are able to realize its force. On the other hand, between the packer and the consumer, every one is interested in securing such prices as will stimulate consumption. At a low price level, all classes of people are interested in meat, but each rise in price eliminates certain classes with low purchasing power as related to the rest of the meat buying public. As prices rise, the packer finds his meat backing up in his coolers, and as prices fall, he finds his outlets broadening." (Press, Jan. 5.)

Pugsley on Production and Prices

Dr. C. W. Pugsley, president of the South Dakota State College, in an interview given for the January issue of Farm and Fireside, is quoted as saying: "What to grow from year to year, and how much, has become more of a problem than how to grow it. We know how. Science has given the farmer facts and he has learned how to use them. But whenever it comes to a question of deciding what to grow and when to change his plans--here he runs into questions which he seems able to answer only afterwards, then often to his bitter loss. He has been advised, instructed, aided in every possible way to increase his production. Nearly all the research, the teaching, the extension work of our Federal Department of Agriculture and of the State colleges has been along this line. What he needs now, very badly, are the facts that will advise him when to increase production of this crop or that animal, and when in the interests of good business to cut down. We have started something of the sort here in South Dakota. We do not try of course to tell the farmer what to do. That would be useless. Nor have we any idea of changing the agriculture of whole regions overnight. That would be worse than useless; it would be ruinous. Farmers for the most part and in the long run produce what they must produce. The dollar which remains in their pocket at the end of the year is the deciding factor. I have no patience with the sort of half-baked agricultural evangelist who wants personally to decide all such questions for agriculture, either by oratory or by a dictatorship. No: what we mean to do from this college is simply to get to the farmer in plain words the facts that guide him beyond bigger yields to greater profits. We intend to get to him in plain words, and before it comes time to plant a crop, the world prospects on that crop and--if we have facts enough--the probable local bearing of these facts on price...."

An editorial in the same issue says: "Doctor Pugsley's article, the first in this issue, says that the same methods by which factories anticipate demand and adjust production will in increasing measure be applied to agriculture. If this were not true there would be little hope for the future of farming. We can not go on forever raising 'two blades of grass where one grew before' and then, in the resulting buyer's market, helplessly sell our two blades for barely the price of one. And we can not backwater out of this dilemma, can not turn back to half-hearted farming. If we tried that it would ruin us for fair... Where, then, is the way out? In this: the working-out of one business problem in the same, slow laborious way that other businesses have done so. Studying supply and demand. Learning to produce what is wanted when it is wanted. But that, the farmer has repeatedly been told, can not be done either; not outdoors! Doctor Pugsley thinks that it can be done; not easily; not in one year, or in ten; perhaps never perfectly. But it can, will and must be done increasingly if we are to have on American farms a continuance of an American standard of living. That is true. To say that because we must contend with the weather we can never control results is like saying that boats can not make port on any fixed schedule because they run outdoors. Sailboats generally could not keep to schedules; that is true. But steamboats do, almost as certainly as trains. Machinery has come into the equation, and science, and business management. So with agriculture. Machinery, brains and science have come into it, and it will learn, whatever the weather, to come into port at the right time and with the right cargo to spell profit."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 5: Chicago livestock quotations. Hog prices, top at $12.

Maine sacked Green Mountain potatoes $2.90-$3.25 per 100 pounds in eastern cities; bulk stock $2.35-$2.40 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.35-$2.50 on the Chicago carlot market and $2.05-$2.20 f.o.b. Waupaca. New York and midwestern yellow onions $2.50-$3 sacked per 100 pounds in leading consuming centers; $2.25-$2.75 f.o.b. New York Danish type cabbage $25-$35 bulk per ton in distributing centers; mostly $20 f.o.b. Rochester. Texas domestic type $60-$65 in Cincinnati; $20.50 f.o.b., Lower Rio Grande Valley Points. New York Rhode Island Greening apples $3.25-$3.50 per barrel in New York City. Baldwins $3-$3.25 in Pittsburgh. Michigan Jonathans $5-$5.50 in Chicago.

Closing prices on 92 score butter: New York 50¢; Chicago 46¾¢; Philadelphia 51¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets Jan. 4; Single Daisies 25¢; Longhorns 26¼¢; Square Prints 26½¢.

Average price of Middling spot cotton in 10 designated markets declined 6 points, closing at 12.27¢ per lb. January future contracts on the New York Cotton Exchange declined 5 points, closing at 12.65¢, and on the New Orleans Cotton Exchange they declined 4 points, closing at 12.69¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.40-$1.44. No.2 red winter Chicago $1.34; St.Louis $1.39. No.2 hard winter Kansas City $1.36. No.3 yellow corn Chicago 71¢; St.Louis 75¢; Minneapolis 72¢; Kansas City 73¢; No.3 white oats Chicago 46¢; St.Louis 48¢; Minneapolis 45¢; Kansas City 48¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 5,	Jan. 4,	Jan. 5, 1926
20 Industrials	155.54	155.53	157.60
20 R.R. stocks	119.77	119.87	112.36

(Wall St. Jour., Jan. 6.)

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DAILY DIGEST

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Vol. XXIV, No. 5 Section 1 January 7, 1927.

FARM RELIEF LEGISLATION

The press to-day reports that a bi-partisan Farm Relief bill sponsored by Senator Curtis of Kansas, the Republican floor leader, and Representative Crisp, of Georgia, was introduced in Congress yesterday in an effort to break the long deadlock on agricultural legislation. It was presented in the Senate and House coincident with the resumption of consideration of farm legislation by the House agriculture committee, which voted to sidetrack discussion of the McNary-Haugen bill until Tuesday, and to take upon the meantime the Aswell bill, a measure which omits the provision for an equalization fee on agricultural products with which to handle the surplus crop problem.

Both Senator Curtis and Representative Crisp described their measure as designed to meet objections raised against pending proposals. It would provide for a Federal Farm Board and an appropriation of $250,000,000. The duty of the board would be to insure "reasonable profit over cost of production" in farm commodities by declaring an emergency for any crop when one existed, and permitting cooperatives to buy up the surplus and hold it. "The McNary-Haugen bills of this Congress and the last have failed of passage, and I see no reason to believe that the form introduced in this session can have any better success than its predecessors," said Senator Curtis.

SEED BILL INTRODUCED

Senator Norbeck of South Dakota yesterday introduced a bill to authorize the appropriation of $6,000,000 for the purchase of feed and seed grains for farmers in crop failure areas, according to the press to-day.

THE FARM WOMAN'S VIEW

The Baltimore Sun to-day reports: "Speaking before the Maryland Farm Bureau Federation, which held the second session of its eleventh annual convention at Baltimore yesterday afternoon, Mrs. Charles W. Sewell, director of the home and community department of the American Farm Bureau Federation, said: 'I am proud that I am a farmer's wife, but when I see the American standard of living rising and the farmer unable to keep pace with it I am afraid the time is coming when I will have to sit up all night making a hat out of a discarded petticoat.' Mrs. Sewell said that she was alarmed by reports similar to that made by the National Industries Conference, extracts from which were read by the preceding speaker, Samuel H. Thompson, president of the American Farm Bureau Federation. The survey, Mr. Thompson said, showed that all other industries were in a healthy condition, but that agriculture, which is the occupation of twenty-seven per cent of the national population, received only 7.5 per cent of the national income. 'Farm work,' Mr. Thompson declared, 'requires more labor, longer hours, and greater self-denial than any other industry, and as it is essential to the welfare of the country I see no reason why we should not receive temporary governmental assistance until cooperative marketing is firmly and generally established....'"

Section 2

American Expansion

Col. Thomas H. Birch, president of the Trust Company of North America, says in Commerce and Finance for Jan. 5: "From a humble beginning we have grown until we now have a combined area of 3,743,510 square miles. Our total population exceeds 120,000,000 prosperous, hard-working, contented people. In natural resources the United States is to-day the richest country in the world. Its coal, oil, timber and precious metals exist in vast natural stores, and practically every base mineral known to science and commerce is deposited within its boundaries. Although originally an agricultural country, the presence of this tremendous natural heritage of minerals and timber, together with increased 'pressure of population on land,' has resulted in gigantic industrial development, until to-day the United States leads the world in commerce and is one of the greatest merchants on the high seas. Its steel, rubber goods, timber, cotton, machinery, foodstuffs and numerous other essential commodities go literally to the ends of the earth. At present we are producing considerably more than one-half of the main industrial output of the world. With less than 6 per cent, of the world's land area and less than 7 per cent of the world's population, we are doing more than half of the world's business...."

Boyle on Farmer Relief

Prof. J.E. Boyle, of Cornell University, writing on "Farmers and Farm Relief," in Commerce and Finance for January 5, says: "Whatever phase of the business cycle is just ahead of us, the farmers of the West know that the business prosperity of the past two years has not been passed around to them. Since most of my life has been spent in the Middle West and West, I will set down for the eastern business man a sympathetic view of the farm situation as I see it and as I get it from my various contacts. The sorest spot with the farmers is, I believe, the steadily growing tax burden. The taxes must be paid every year, and paid in money. With many farmers this is the largest single item of cash outlay for the year. The farmer who was paying $50 taxes before the war is now paying in many cases $150. This does not include any of the Federal taxes....The tariff is another aspect of the tax question which leaves the farmer in a very bad state of mind; he knows the formula--sell in a free market, buy in a protected market. It is, of course, ridiculous to talk to the farmer about the protective tariff on the various articles he exports. He recognizes this sort of talk for what it is, namely, clap trap...When the farmer's taxes and other fixed expenses are subtracted from his income, it leaves him but a small interest on his invested capital, and small wages for his labor. Approximately, I should say the farmer of the Middle West during the last five years has been making 2 per cent on his capital, or 30 cents an hour wages for himself and team of horses. While this is going on, a 14-year old negro boy can get a job in the neighboring foundry, or factory or railway, doing the most unskilled manual labor, at 50 cents an hour... The Middle West Farming Empire of the United States is now asking for a reduction of ten cents a bushel in transportation costs on grain for the eastern seaboard, to be accomplished by utilizing the Great Lakes-St.Lawrence waterway. This great improvement is now overdue. It will be a benefit to both farmer and consumer. As to railway freight rates, the less tinkering the better, for it is the change in the rate that kills or cures the patient....The talk of 'Surplus' and 'Farm Relief Legislation' based on the surplus is not exciting the average farmer very much. He rightly looks on most legislation of this

kind as 'relief for candidates' rather than 'relief for farmers.' Likely most farmers never even read the McNary-Haugen bill. Of the bills before Congress now only the Jacobstein bill promises serious, sound, permanent relief on the basis of the strictly national agricultural policy."

Milk and Health

An editorial in The New York Times for January 4 says: "It is timely to hear from the American Health Association, reporting through its committee on nutritional problems, that the heart of the food and health problem is not sanitation but nutrition. Milk was the particular food dealt with, which makes the report especially gratifying. In the mixing of politics with milk to which we have recently been treated the nourishing quality of this important food has too much been lost sight of.....But, after all, argument over adulteration of milk could not wax so warm if there were not behind it all the time the knowledge that its value, for children particularly, is not exceeded by any other food. Fresh studies made with laboratory animals verify and emphasize its health-giving quality. Carefully controlled experiments demonstrated that milk added to an already adequate diet resulted in better general health and greater resistance to disease. The second generation showed an improvement even more pronounced. From these experiments it appears that higher milk consumption in the present generation will make for better health in the next....."

Milling Industry

An editorial in The Northwestern Miller for Dec. 29 says: "In the current issue of Wheat Studies (Food Research Institute), a survey of milling conditions of the 1925-26 crop year, announced as largely contributed by Dr. Alonzo E. Taylor...concludes with this summary of the present situation of the industry: 'The American milling industry faces liquidation and readjustment that will vary from region to region. There is much redundant capacity and equipment that can not be put in operation or carried indefinitely on the books. Since the war, the milling industry has carried on in vague hopes of improvement, and in considerable measure postponed readjustments. These now appear inevitable, especially in view of the declining trend of flour exports. The process will involve writing down plant inventories, dismantling obsolete mills, eliminating superfluous equipment and high-cost units even though technically efficient, and financial reorganization. Some integration of flour mills and bakeries has taken place and more may be attempted, though in general we question the wisdom of such moves.' No intelligent observer of milling will undertake to dispute Doctor Taylor's analysis and prophecy. It is, nevertheless, essentially misleading in that the process of 'liquidation and readjustment' is not something ahead of milling or something which the industry consciously must undertake to do for itself, but a constant and continuing condition which has been characteristic since grain first was ground between two stones. The industry always is in a state of instability, adjusting and adapting itself to changes in wheat production, shifting consumption, trade currents and technical developments within the business itself....."

Soldier Bonus Loans

Legal difficulties surrounding the identification of persons presenting bonus certificates to banks for loans as the bona fide holders are largely responsible for the slowness of banks to respond to requests for such advances, according to information received at the headquarters of the American Bankers Association. On this point,

Thomas B. Paton, General Counsel, said at New York Jan. 4: "The law passed by Congress does not compel the banks to make these loans. It only provides that they may do so under conditions set forth in the law and regulations and it is natural that many banks are puzzled in view of the many requirements which have been promulgated by the Veterans' Bureau and the Federal Reserve Board and hesitate to make such loans for strangers who are not customers of the bank or introduced by customers."

Sugar Restriction in Cuba

An editorial in The American Review of Reviews for January says: "President Machado of Cuba has been the leader in a policy to restrict the over-production of sugar in order to bring prices back to normal standards. A decree was signed and promulgated last month which through the use of arbitrary devices proposes to hold the coming sugar crop of Cuba down to 4,500,000 tons, as against what without restriction policies would probably amount to five million tons. This is the second season for the Cuban policy of restriction. Europe's beet sugar crop, which was virtually eliminated during the war years, is now large again but the consumption of sugar everywhere tends to increase. President Machado holds that the intelligent application of public policy for the sake of keeping supply and demand fairly equal, as respects certain staple materials of large use, is far more reasonable and wise than dependence upon the blind play of forces that bring adjustment at great loss to individuals and communities...The President's message held out olive branches that seemed to wave pleasantly toward the prairie cornfields and toward the southern cotton fields as well. There are aspects of the agricultural problem that are very hard for people to grasp whose minds naturally work along the lines of economic theory that were accepted, as a matter of course, under conditions that formerly prevailed. Our failure to understand the essential differences between agriculture and other kinds of industry accounts for the permanent ruin of many millions of acres of American soil through abuses of the one-crop system, for which the individual farmer was not primarily responsible. Until we have learned to apply plans of cooperation so efficiently as to regulate production as well as to control distribution and prices, it would seem desirable to find some more or less temporary plan for so handling excess quantities of staple products as to save American agriculture from the sharp disasters that have overtaken it in recent years. It is no wild and visionary radicalism that lies behind the proposals of the great farm organizations, as these are supported by many Middle Western and Southern Governors, and by such outstanding leaders as Mr. Lowden of Illinois. The McNary-Haugen bill has been introduced again in Congress with modifications that are intended to remove various objections."

Williams on Cotton Surplus

Carl Williams writes in Oklahoma Farmer Stockman for January 1 as follows: "Who is responsible for the crime of too much cotton? The landlord, the banker, or the tenant cotton farmer? The banker and the landlord, of course, blame the tenant. They say that cotton is all the tenant knows, that he doesn't want to grow anything else, and that he can not grow anything else successfully enough to make sure of a reasonable rent for the land....There is truth in all of these remarks, but the whole truth is not in any one of them. To say definitely what class of people is responsible for the present cotton surplus is like

trying to tell who won the war....No one group is responsible for the increase in the acreage and the surplus supply of cotton. All must take their share of blame. All must unite whole-heartedly to correct the situation if it is to be corrected.....Every farmer, every banker and every landlord should know by this time that the only way for the present cotton situation to be cured for anybody is for everybody to work at it on a common plan for a common purpose. I have confidence to believe that they will work at it, and that there will be a very decided reduction in cotton acreage, not only in Oklahoma but throughout the entire South this coming spring...."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 7: Chicago livestock quotations. Top hog prices at $12.10.

Maine sacked Green Mountain potatoes $2.85-$3.15 per 100 pounds in eastern cities; bulk stock $2.20-$2.30 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.35-$2.45 on the Chicago carlot market; $2.10-$2.25 f.o.b. Waupaca. Maryland and Delaware yellow potatoes sold at $1-$1.25 per bushel hamper in the East. Tennessee Nancy Halls $1.25-$1.40 in middlewestern markets. New York Danish type cabbage $23-$35 bulk per ton in terminal markets; $19-$20 f.o.b. Rochester. Florida pointed type $1.75-$2.25 per 1½ bushel hamper in the East. New York Rhode Island Greening apples jobbed at $3.25-$3.50 per barrel in New York City and at $3.50-$4.50 in the Middle West. Michigan Jonathans $5-$5.50 in Chicago.

Closing prices on 92 score butter: New York 50¢; Chicago 47¢; Philadelphia 51¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets: Twins 24¼¢; Single Daisies 25¼¢; Longhorns 26½¢; Square Prints 26½¢.

Average price of Middling spot cotton in 10 designated markets advanced 4 points, closing at 12.31¢ per lb. January future contracts on the New York Cotton Exchange advanced 5 points, closing at 12.70¢, and on the New Orleans Cotton Exchange they advanced 8 points, closing at 12.77¢.

Grain prices quoted: No. 2 red winter Chicago $1.36. St.Louis $1.38-$1.39. No.2 hard winter Chicago $1.42; St.Louis $1.41; Kansas City $1.35-$1.38. No.3 yellow corn Chicago 70-74¢; St.Louis 78¢; Kansas City 72¢. No.3 white corn St.Louis 71¢; Kansas City 71-73¢; No.3 white oats Chicago 44-47¢; St.Louis 48-49¢; Kansas City 46-48¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Jan. 6,	Jan. 5,	Jan. 6, 1926
	20 Industrials	155.16	155.54	158.00
	20 R.R. stocks	119.69	119.77	112.45

(Wall St. Jour., Jan. 7.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 6 Section 1 January 8, 1927.

FARM RELIEF BILLS DISCUSSED The Associated Press to-day reports: "With hearings on farm relief already under way on the House side of the Capitol, the Senate agriculture committee decided yesterday to get down to consideration of the problem next week. Announcement of this program was made by Senator McNary, chairman of the committee and co-author of the controversial McNary-Haugen bill, which the House committee will take up on Tuesday. At its session yesterday the House committee considered the bill sponsored by Representative Aswell of Louisiana, ranking Democrat among its members, who inferred that the administration had its own ideas on farm relief, to the extent that the Curtis-Crisp bill, introduced yesterday, was written in Secretary Jardine's office. While this brought a broad smile from Representative Crisp, Democrat, of Georgia, who, with Senator Curtis, the Republican leader, is author of the measure, the Georgian failed to enlighten the committee. Senator Curtis had declared that the bill was not to be considered an administration measure and Mr. Crisp said after yesterday's hearing that he could speak for neither President Coolidge nor Secretary Jardine....Mr. Crisp said he hoped to obtain Mr. Jardine's approval of the measure....."

FURTHER AGRICULTURAL ITEMS The Associated Press to-day reports that right of way was ordered by the Senate agricultural committee for a bill by Senator Norbeck, which would create a $6,000,000 emergency fund for feed and seed grain advances to farmers in crop failure areas. Hearing will begin to-day.

The Senate committee concluded hearings yesterday on the Capper bill to bring privately owned yards under the Packers and Stockyards' act.

An effort to promote team work among farmers organizations so they may address Congress in agricultural relief affairs as "one man" was made yesterday by L.J.Taber, Columbus, Ohio, Master of the National Grange. (Press, Jan. 8.)

THE CURTIS-CRISP BILL An editorial in The New York Times to-day says: "A new bill has been introduced in Congress to 'do something for the farmers.' This one is sponsored by Senator Curtis of Kansas and Representative Crisp of Georgia. The union of the two names is supposed to make the measure 'bi-partisan.' It is also described as being intended for the relief, not merely of the growers of wheat and of corn, but of 'all agriculture.' That seems to mean, in particular, cotton, and points to a kind of tacit alliance, for this one purpose, between the South and the Middle West. Senator Curtis explains that all the other pending bills for farm relief are dead or dying.....Doubtless there will be a great push behind this new bill in behalf of the American farmer, but that it can be passed, even after it has undergone inevitable mutilation, in the present congested session of Congress, or that it ought to be passed, is more than doubtful."

Section 2

Corn Borer Menace

An editorial in Who is Who in the Grain Trade for January 5 says: "The corn borer menace, which is treated at length in this issue of Who Is Who in the Grain Trade, is each year attracting more and more attention as it marches towards the heart of the Corn Belt. When the pest was confined to the Eastern States the Corn Belt farmers and the country shippers in Indiana, Illinois, Iowa and Missouri gave it but passing attention. But now the menace is coming nearer home. It is in Ohio, Michigan, several counties in Indiana and it is moving westward at the rate of about twenty-five miles a year....The corn borer can and will be controlled. Means are already at hand for such control. If the corn farmers follow the advice given by the Federal Horticultural Board, and printed elsewhere in this issue, the borer will cease to be a menace to corn production. It is largely a question of educating the corn producers and this can be done much easier by the Government than by any other agency. Of course, grain dealers and all others who have direct contact with farmers can help in spreading control literature.....The troubles of the country grain dealers will come only if the Federal Horticultural Board insists upon the execution of many impracticable regulations which would interfere with the free movement of the grain into consumption. Thus far the Government has shown no disposition to harass the dealers or to formulate rules impossible of enforcement, but as the menace gets closer to the heart of the Corn Belt new regulations may become more and more onerous. When that time comes the grain trade associations will be required to hold conferences with the Federal officials and iron out their troubles."

Cotton Conditions in Texas

A San Antonio woman subscriber to the Manufacturers Record sends an editorial clipping from the San Antonio Express, which she says "contains some ideas well worth considering at the present time when there is so much dissatisfaction and unrest in the cotton world...." The clipping sent to the January 6 issue of Manufacturers Record is as follows: "The pessimist sees only the low price of cotton, and the optimist wants to see only what cotton will be worth when the price rises, as it will within the next few weeks. But why not take a middle view and look at actualities? Twelve counties in San Antonio's trade territory up to November 1 had ginned 536,857 bales. On the basis of 11 cents a pound this cotton is worth $29,527,000. Last year these same counties ginned 213,844 bales, worth--at this time in 1925--slightly over 20 cents a pound, or around $21,300,000. The bigger crop at the lower price this year is worth $8,200,000 more than last year's crop. There is $8,200,000 more wealth in San Antonio's neighboring buying territory than appeared in November, 1925. And that is the fact worth looking at. It is true, as often is pointed out, that a smaller crop brings a higher price, but it is not so often pointed out that a smaller crop always is accompanied by total, or almost total, failures in many sections whose producers get nothing. The money from the $29,527,000 worth of cotton raised in the 12 counties near San Antonio this season is divided among many times more people than the $21,300,000 reached a year ago...."

Cotton Price

An editorial in Oklahoma Farmer Stockman for January 1 says: "In the office the other day we were trying to figure out what would be a fair price for cotton to bring reasonable prosperity to the South. In

the last analysis nobody knew or could give a reasonable guess what the price should be for the simple reason that costs of production vary so greatly in different States and on different farms. Some farmers can grow cotton for 7 cents a pound of lint. To them 10 cents a pound would be a profitable price. Other farmers can not produce cotton at less than 20 cents a pound, and would go bankrupt at a price which would make some farmers rich....There is another angle, however, from which this point can be approached. It is that of the consumer. What price will the consumer of cotton goods be willing to pay and at the same time not reduce his purchases? Arno S. Pearse, secretary of the International Federation of Master Spinners, has some testimony on this point that is worth while. This organization includes about 6,000 cotton mills and what Pearse says probably expresses the opinion of most of them. He believes that the spinners of the world are not interested in the price which they must pay for raw cotton provided it does not fluctuate too greatly and provided that the price is not so high as to keep people from buying cotton goods and cotton clothing. If the price gets too high, there will be reduced consumption and the mills can not work full time. Pearse says, however, that in his opinion there would be no reduction whatever in the consumption of cotton if raw cotton were stabilized at 25 cents a pound to the farmer, but that there would be a reduced consumption whenever the price goes above this figure very much. If that statement is true, and there is every reason in the world to believe that it is true, the mills will willingly pay and the cotton farmers of the South can easily get 25 cents a pound for every pound of middling cotton that they grow provided they do not grow too much cotton.....Unfortunately, a 25-cent price stabilized on that basis would I fear ultimately result in 70,000,000 acres of cotton being planted in the South and in the production of an annual crop of 30,000,000 bales. That is why any Government or other legislation which proposes to get for the farmer a fair price for cotton must come at the subject from the viewpoint of acreage control. It must include the theory that a small crop of cotton is worth more to the farmers and to the Nation than a large crop...."

Egg Production An editorial in The Wall Street Journal for Jan. 7 says: "Eggs in Minnesota will be worth more than that State's wheat crop this year. In fact, the State commissioner of agriculture says that the value of the eggs places them in the second place of crop production for that State. This brief announcement shows that a comparatively new and important source of farm income is now being developed. That poultry is becoming one of the most important branches of farm production is to be seen by comparison with some of the leading crops. Poultry products in 1925 were valued at about an even billion dollars. On that basis, the value of poultry is equal to our splendid wheat crop of this year. Of the crops produced from the soil, there are only three--corn, cotton and hay--that will have a greater value than that of poultry. So important is this industry becoming that within a week the Governor of Missouri made it the subject of a radio address. Confining himself to the State of Missouri, he showed some important statistics. Value of poultry products equaled 68 per cent of the hog marketings and 75 per cent of the beef cattle. Of the cultivated crops, corn alone was worth more than poultry. This industry, the Missouri Governor says, in recent years has eclipsed all other agricultural activities. No other

business can boast of such a remarkable increase in volume or in net profit. It is represented in every nook and corner of Missouri, and on a large percentage of farms it is helping to furnish the table, clothe the family and contributes liberally to the farm income....."

Roosevelt Advocates Migration to Farms

Addressing a meeting Jan. 6 at New York at which a State drive for $1,400,000 for support of the National Farm School at Doylestown, Pa., was launched, Colonel Theodore Roosevelt expressed the opinion that workmen desired now to return to rural communities to bring up their children. "From the standpoint of Government, the best thing this Nation can have is a citizenry of property owners," said Colonel Roosevelt, "and the best way to bring about such a condition is the fostering of a back-to-the-farm movement. Plumbers, cab drivers, workmen of all types constantly ask me if I think they can successfully support their families in the country. They say they have children and want to get them away from city tenements."

St.Lawrence Waterway

An editorial in The Baltimore Sun for January 4 says: "The Hoover commission appointed to investigate and report upon the comparative advantages of proposed routes for a canal from the Great Lakes to the ocean gives unqualified approval to the St.Lawrence route. In original cost, in operating expense and in tonnage capacity the superiority of this route is made to appear overwhelming. The all-American route would mean an outlay of $631,000,000, with annual maintenance cost of $36,000,000, as compared with a net cost of $123,000,000 to $148,000,000 and maintenance cost of $10,000,000 for the St.Lawrence waterway. Tonnage charge would be $2.06 and 43 cents, respectively, from the standpoint of mileage. The latter enterprise would provide an enormous supply of hydroelectric power, the former giving no appreciable increase of it. The national defense argument in favor of a canal built wholly on American territory is dismissed with the statement that it would be so close to the border as to make use of it dangerous in case of war involving this country and Canada. The report is the result of an exhaustive economic and engineering study of the importance of the canal to the Middle West, and is urged for the purpose of relieving this section of high freight charges. As evidence that the connection would convey no threat to railroads, it is pointed out that total estimated tonnage would not exceed four per cent of tonnage now carried by railroads which connect the lakes with the seaboard. As the construction of the waterway, if begun now, would cover a period of from eight to ten years, growth of rail traffic in the interim would offset diversion to be suffered. Experience of the country with waterway projects has not been so fortunate and so profitable as to prompt ready acceptance of the report. It will be subjected, no doubt, to prolonged consideration in both this country and Canada, the international character of the enterprise making for delay."

Wool Market

The Commercial Bulletin (Boston) to-day says: "The wool market opens rather quietly but with considerable confidence and not a little interest displayed in wool in certain quarters. Prices are steady this week, compared with last, demand being fairly general in character, but chiefly for the finer domestic wools still. The foreign primary markets are buoyant on general competition and prices are tending against

the buyer everywhere. European secondary markets are steady. Japan is a keen buyer of wool. America has bought only about one-third in the foreign primary markets what she bought last season to date. The manufacturing position is regarded as sound and the prospects good for the coming year, although no one looks for any boom times."

Section 3

MARKET QUOTATIONS

Farm Products Jan. 7: Livestock quotations at Chicago on top price of hogs $12.25.

Maine sacked Green Mountain potatoes $2.85-$3.15 per 100 pounds in eastern cities; bulk stock mostly $2.20 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.30-$2.45 carlot sales in Chicago; $2.10 f.o.b. Waupaca. New York Danish type cabbage at $22-$35 bulk per ton in terminal markets; mostly $18-$20 f.o.b. Rochester. Midwestern yellow onions ranged $2.50-$3.25 sacked per 100 pounds in consuming centers; $2.65 f.o.b. West Michigan points. New York Rhode Island Greening apples in New York City $3.25-$3.50 per barrel. Michigan Jonathans steady at $5-$5.50 in Chicago.

Closing prices on 92 score butter: New York 50½¢; Chicago 47¢; Philadelphia 51½¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets: Twins 24½¢; Single Daisies 25¼¢; Longhorns 26¼¢; Square Prints 26¾¢.

Average price of Middling spot cotton in 10 designated markets advanced 4 points, closing at 12.35¢ per lb. January future contracts on the New York Cotton Exchange advanced 8 points, closing at 12.78¢, and on the New Orleans Cotton Exchange they advanced 5 points, closing at 12.82¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.45. No.2 red winter St.Louis $1.39. No.2 hard winter St.Louis $1.42. No.3 yellow corn St.Louis 76¢; Minneapolis 73¢. No.3 white oats St.Louis 50¢; Minneapolis 45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 7,	Jan. 6,	Jan. 7, 1926
20 Industrials	155.33	155.16	158.93
20 R.R. stocks	120.40	119.69	113.12

(Wall St. Jour., Jan. 8.)

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DAILY DIGEST

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Vol. XXIV, No. 7 Section 1 January 10, 1927.

FARM RELIEF LEGISLATION The Associated Press of January 9 reports: "Completing hearings on a half dozen farm relief proposals, the House agriculture committee cleared its decks January 8 for action on the new McNary-Haugen measure with indications that a sharp fight will result when it is taken up Tuesday over its equalization fee on basic commodities to control crop surpluses. Relief advocates also were ready to open fire in the Senate when Chairman McNary has ordered hearings by the agriculture committee on the farm question early in the week. With farm leaders agreed that the principal fight in Congress will be over the proposed equalization fee, there was considerable speculation as to what bills eventually would emerge from committees. As far as the House group is concerned, the sentiment among opponents of the fee appeared to lean toward the Curtis-Crisp bi-partisan compromise measure, principally because it is said to have the partial indorsement of Secretary Jardine.

"Representative Aswell, however, said he had lined up substantial support for his proposal which, although differing from the Curtis-Crisp bill in several important details, also omits the equalization fee. Among the House and Senate members favoring the fee, the McNary-Haugen measure has incurred virtually unanimous favor....Representative Crisp appealed for relinquishment 'of pride of ownership' among those who have drafted farm relief bills, in the hope of bringing out a measure reasonably sure of passage. He suggested that the committee take his bill, amend it if it saw fit and report it under the McNary-Haugen label."

TINCHER ON FARM LEGISLATION The New York Times of January 9, in reporting a call made on President Coolidge by Representative Tincher on January 8, says: "....Representative Tincher only in a general way discussed with the President the outlook for farm relief legislation at this session of Congress. He informed the President that he would urge action on two bills he had introduced. One of these compels boards of trade to grant membership to agricultural cooperative bodies; the other is the Capper-Tincher measure extending Government regulation to all stockyards. Mr. Tincher did not hold out much hope for general farm legislation at the present short session...."

AGRICULTURAL COMMITTEE ITEMS The Senate Agricultural committee January 8 ended hearings on the Norbeck bill to authorize a loan of $6,000,000 to farmers in crop failure areas for purchase of feed and seed grain for crop of 1927.

The House agricultural committee January 8 considered a proposal to establish an American institute of agriculture with Government aid at Kansas City to study the question of a permanent solution of agricultural problems. (Press, Jan. 9.)

Section 2

Branch Banking

Failure of the McFadden banking bill now before Congress will mean that branch banking will continue to spread, and insistence on the Hull amendments to the branch banking provisions will insure its failure, it is shown by Charles W. Carey, president of the national bank division of the American Bankers Association, in a call to members to urge their Congressmen to work for the passage of the McFadden bill without the Hull amendments. He also shows that enactment of the measure without the Hull amendments will effectually limit branch banking. Mr. Carey says: "The McFadden bill is the first effort of the National Congress to regulate branch banking. As originally introduced it would have accomplished that end, and the Hull amendments were not a part of it. Without them it still would limit branch banking...."

Canadian Tariffs

An editorial in Grain Growers' Guide (Winnipeg) for Jan. 1 says: "The Canadian Horticultural Council of Canada, representing the organized growers of fruit, vegetables and nursery stock, on December 16 presented to the Tariff Board at Ottawa arguments in favor of special tariff protection in the way of seasonal tariffs. Boiled down, their proposal is that during the period when these fruits and vegetables are produced in Canada there should be a good stiff tariff imposed on all competing fruits and vegetables from the United States. The nurserymen would like the already high tariff upon nursery stock from Europe and the United States made still higher. In other words the fruit and vegetable growers and nurserymen submit that their industry is not as profitable as it ought to be, although the fact is that a fair proportion of them are reasonably prosperous, while some of them, as in all other industries, have not succeeded very well. They feel, however, that if the tariff duties are raised they will be able to raise their prices and make more money at the expense of the consuming public. It is a proposition that the people of Canada at large should bonus the fruit and vegetable growers and nurserymen who represent an extremely small percentage of the total population. The agricultural industry in Canada generally can not be benefited by tariff protection because the main products are sold on the export market in competition with the world. It is unfair and unjust that those engaged in general agriculture and who are continually struggling between success and failure should be compelled to bonus those of their fellows who may have chosen specialized agriculture as their occupation. Grain, livestock, dairy and poultry products form the chief output from Canadian farms and the people who produce them are not overflowing with wealth. They are handicapped by high tariffs on nearly everything that enters into their cost of production and by high interest rates on the borrowed capital involved. It is now proposed that they shall pay higher prices for the fruit and the vegetables which they may wish to buy, and the nursery stock which they may desire to purchase to ornament their homes...."

Dewey on Federal Farm Loans

The press of January 7 reports: "Because the provisions of Section 26 of the Federal Farm Loan Act make the bonds of that system, including the issues of the joint stock land banks, instrumentalities of the United States Government, the impression has been gained by the investing public that these are Government securities, said Assistant Secretary of the Treasury Dewey. Mr. Dewey appeared January 6 before the House banking and currency committee to discuss with its members

the provisions of the McFadden-McLean bill designed to give to the Treasury certain additional powers over the farm loan system. 'The Treasury Department has been flooded during the last few months with letters from unfortunate purchasers of stocks of these banks, wishing to know why, if a bank is under the supervision of the Treasury Department, there should be such a difference in the statement between February or March, 1926, and the present time,' he told the committee, referring to investors in joint stock land bank bonds. It is rather embarrassing to the branch of the Government held responsible for reflecting the proper condition of the bank to have nothing to do with the examination of that bank.'...."

In an editorial on the Farm Loan system, The Journal of Commerce for January 8 says:"....While there is need for improvement in the oversight and management of the Farm Loan system and in the conduct of its affairs generally, according to the best evidence now available, there is absolutely no reason to think that to bring it more closely under the control of the Treasury Department would be beneficial. On the contrary, both with it and with the Federal Reserve system it is true that the influence of the Treasury has been one of the most injurious elements in the whole proceedings. It is now proposed to give to the Secretary of the Treasury not only general powers of oversight but also power of controlling the investments of the reserves of land banks, joint stock banks and national farm loan associations....Perhaps we may sum up the whole situation by saying that the McLean-McFadden bill would in effect put the Farm Loan Board out of existence so far as any real authority is concerned and would substitute the Secretary of the Treasury....By all means correct the defects in our Farm Loan system, do the things that are proposed in the way of improving examination, accounting and responsibility, but do them through the right kind of Farm Loan Board and not through a Cabinet officer who changes from time to time and whose subordinates are, confessedly, political appointees."

Foot and Mouth Precautions in Scotland

An editorial in The Scottish Farmer for December 25 says: "....The efficiency of the Ministry of Agriculture and Fisheries was vindicated by their firm grip of the disease once its source was located, but equal credit must be paid to the Scottish farmer for his ready response to the call of duty, and his ungrudging submission to restriction and direct loss. The Carluke dispensation was in measure a blessing in disguise. For one thing it conclusively demonstrated the existence of one channel whereby the scourge was being imported from the Continent. On this point there is no longer any room whatever for doubt. Never again will recently killed pig carcasses be allowed to enter this country from countries on the Continent in which the disease is endemic. The fear now is that the importers, hope of their gain along that line being gone, will discover some means whereby the semicured carcass or bacon will come. At all costs this country will have cheap food, and the one industry which will not be granted any kind of fiscal protection is that which is engaged in producing wholesome home-grown food. We are not arguing the question now; we are simply stating the hard stern fact...."

Highways An editorial in Manufacturers Record for Jan. 6 says: "With over 22,000,000 automobiles and motortrucks operating in this country, representing an annual expenditure for purchase and maintenance of over $15,000,000,000, and with the certainty that automobile traffic and motorbus transportation will continue to increase to an indefinite extent, the need of more and broader and more substantial highways is becoming every day more apparent. Highways built five or ten years ago are in many cases wholly inadequate to the needs of the present. Few people then realized the number of automobiles for pleasure and for business that would be in use by this time, and probably none realized now many motorbuses and motortrucks would be running at high speed and carrying heavy loads. None but the most substantial highways can possibly stand the pounding of these enormous motortrucks and motorbuses at the present time, and their use is expanding with remarkable rapidity. New motorbus lines are being established almost daily. Motortrucks are carrying more and more freight on long hauls as well as on short ones....However great the cost may be of building improved highways wide enough to meet increasing traffic, solid enough to stand the wear and tear of heavy trucks and buses, this country must go ahead with the work on a larger scale than we have yet had. Instead of $1,000,000,000 a year being spent for highway construction, the amount must be doubled, and that right soon. If we can spend more than $15,000,000,000 a year to purchase and maintain automobiles and motortrucks, we can certainly spend $2,000,000,000 a year to provide the highways over which they are to run....."

Wheat Prices Price Current-Grain Reporter for January 5 says: "In spite of the fact that the U.S. Department of Agriculture says that the European wheat crop, excluding Russia, is nearly 11 per cent below last year, the rye crop 15 per cent less and the potato crop 20 per cent less, the grain trade seems to be mostly bearish as to wheat prices. Some, however, are saying that a good break at this time, which would bring an increase in exports, would undoubtedly be followed by a substantial bull movement in the spring. There are those in the trade who believe North American wheat exports are materially larger than are indicated by the figures and that while Canada still has much grain to dispose of, the United States is practically upon a domestic basis. With Europe depending largely upon North American wheat for at least two more months and with a more or less regular demand even after that, especially for our strong bread wheats and our durums, it would seem that a bull movement in the United States might come without a preliminary slump."

Section 3

Department of Agriculture An editorial in The Journal of Commerce for January 8 says: "If some interests in Congress have their way the Department of Agriculture will undertake at the expense of the taxpayer to do a considerable volume of work finding and developing 'new uses' for cotton and cotton products. Evidently the farmer, or some of those who represent him in Washington, are not satisfied with the rapid extension of the use of cotton in American industry during the past few years. Some seem to think that American industry is not wideawake enough to be constantly seeking, not new uses for cotton alone but new or heretofore unused material to do more cheaply all manner of things in industry. In this, however, they are mistaken. What little the

Department of Agriculture could do in this direction would not be likely to make a great deal of difference in the consumption of and the demand for cotton. Cotton is in any case more or less certain to be used for all purposes for which it is by nature fitted."

Section 4

MARKET QUOTATIONS

Farm Products For the week ended January 8: The Chicago hog market is generally steady to strong with a top price to-day at $12.20. Better grades of beef steers are 50 to 75¢ higher, heifers 25 to 50¢ up and cows mostly 25¢ higher. Vealers are $1 to $1.50 lower, heavy calves steady and stocker and feeder steers steady to 25¢ higher. Fat lambs and yearling wethers are 15 to 25¢ lower while fat ewes and feeding lambs are 25 to 50¢ higher, compared with a week ago.

Potatoes ranged 5¢ to 20¢ lower nearly everywhere. Maine sacked Green Mountains closed at $2.85 to $3.15 per 100 pounds in eastern cities; bulk stock $2.20 to $2.25 f.o.b. Presque Isle. New York Rhode Island Greening apples $3.25 to $3.50 per barrel in New York City. New York and Michigan Baldwins $3.75 to $4 in Chicago. New York and midwestern yellow varieties of onions ranged $2.50 to $3.25 sacked per 100 pounds in consuming centers; $2.35 fo $2.65 f.o.b. New York Danish type cabbage $25 to $35 bulk per ton in terminal markets; $18 to $20 f.o.b. Rochester.

Butter markets during the week ending January 8 were featured by declines early in the week followed by firmer situation and some price advances of 1 to 1½¢. Short fresh and storage supplies and a strong fundamental situation accounted for the reaction from previous weakness. Closing prices on 92 score: New York 50½¢; Chicago 48¢; Philadelphia 51½¢; Boston 50½¢.

Average price of Middling spot cotton in 9 designated markets advanced 4 points during the week, closing at 12.33¢ per lb. (Holiday in New Orleans). January future contracts on the New York Cotton Exchange advanced 14 points, closing at 12.81¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Jan. 8,	Jan. 7,	Jan. 8, 1926
	20 Industrials	155.85	155.53	158.76
	20 R.R. stocks	120.73	120.40	112.45

(Wall St. Jour., Jan. 10.)

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DAILY DIGEST

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Vol. XXIV, No. 8 Section 1 January 11, 1927.

MCNARY-HAUGEN BILL The press to-day reports: "The farm relief question which has been before Congress for more than three years will be thrust forward to-day when the House agriculture committee begins consideration of the new McNary-Haugen bill. The situation has been complicated by the lack of a unanimous indorsement from leading agricultural organizations of any one measure. The point of divergence is on the equalization fee provided for in the McNary-Haugen proposal for imposition on basic crops. Because of the attitude of farm organizations on the question a number of committee members expressed the belief that two bills finally will emerge, so as to place the equalization-fee question squarely before Congress."

CORN BORER BILL The House January 8 passed and sent to the Senate for concurrent action a bill providing for an appropriation of $10,000,000 for use by the Department of Agriculture in combating the corn borer, according to the press of January 10.

SEED BILL The Norbeck-Johnson bill, authorizing a $6,000,000 appropriation for loans to farmers in the Northwest to purchase seed, was reported from the Senate agricultural committee yesterday, according to the press to-day.

AUTOMOBILE ENDING ISOLATION The New York Times to-day reports: "Leading automobile manufacturers, delegates from Canada and Europe and Assistant Secretary of Commerce J. Walter Drake addressed the opening sessions yesterday of the third Motor Transport Congress at New York . More than four hundred persons, representing fifty nations, were present. The growth of the industry, its relation to the railways and waterways were discussed. Thomas H. MacDonald, chief of the United States Bureau of Public Roads, told of the rapid growth of highway construction. In the last fifteen years, he said, the United States had built 600,000 miles of highways and rendered another 1,000,000 serviceable. 'Out of 125,000 communities,' he said, 'some 5,400 are still actually not on railroad lines, but motor transportation has placed them in direct touch with these. Thus motor transportation has not only linked together all the communities of this country but it has made immediately available to one-third of them railroad transportation that they had never enjoyed before.'

"Mr. Drake added that the motor truck transport, by linking remote communities to railheads, had enormously increased the potential tonnage for both the steam and electric lines. On the economic side, he declared the effect of motor transportation has been almost beyond comprehension, and he traced to it much of the country's prosperity. ....."

Section 2

Cotton Consumption

A New Orleans dispatch to the press of January 9 says: "Although there are still claims that because of lower prices cotton consumption will run considerably ahead of last year, the fact remains that, although exports are nearly 1,000,000 bales larger this season than last, mill takings to date actually show an increase over last year of 96,000 bales. The large exports evidently consist mostly of either consigned cotton or cotton bought by foreign merchants to be held against possible future needs....."

Cranberry Marketing

Commerce Monthly (New York) for January contains an article on "Business Methods and the Cranberry Crop." This says in part: "Despite the small size of the industry, cranberry growers have been among the most progressive of agricultural producers in making use of business methods. They were one of the earliest groups to try cooperative selling and more recently have made surprising achievements in utilizing machinery in the handling of their crop. With hand methods the labor requirements, particularly for harvesting cranberries, were not only great in proportion to the return but were highly seasonal. Hand picking has long since been displaced on the larger commercial bogs by the use of scoops and recently a motor harvesting machine has been successfully introduced. A machine for setting the vines in the spring and another for trimming them are in use, while the sorting and cleaning of the berries is also performed by machinery.....Through cooperative effort grades have been standardized and the quality of the fruit coming to market has been greatly improved. The tendency toward market gluts has been lessened and the period of availability of fresh fruit lengthened. With a standard product, national advertising has been possible, aiding the movement of crops half again as large as those which threatened the prosperity of the industry early in the century. With these achievements in production and marketing and with progress in the control of disease enemies of the cranberry, the growers have gone far toward establishing the stable basis for their industry which is becoming more and more the aim of producers in all lines...."

Forestation

An editorial in Successful Farming for January says: "There are millions of acres of land in the United States that should be in forests. They consist of cut-over land from which former forests have been removed; useless hilside land not suitable for crops. and swamp areas subject to overflow. Ever since the pioneers penetrated the forests west of the Atlantic coast settlements, cutting down the finest hard wood timber to clear the land, we have handled all our forests in about as prodigal a way as they did. Some great lumber companies are now realizing that they should use discretion in cutting and replant upon the area cut over. But they are faced with such unjust tax laws one can not blame them for the destructive methods forced upon them. Every State should put upon its statute books a law subjecting timber land to taxation only when timber is removed. To tax standing trees is only hastening their destruction by saw and ax....The synthetic uses of timber have not been fully developed. If we can make silk (rayon) stockings and cloth out of timber grown on waste land and make our own paper pulp, paying the tax only upon trees cut, we have taken a step in conservation that will be to the advantage of all the people, land owners especially...."

Forest Reserves The press of January 10 reports that an addition of 80,000 acres to the Monongahela National Forest, on the head waters of the Potomac River, was authorized January 8 by the National Forestry Commission. The land lies in the Seneca Park section of the Alleghanys, near Spruce Mountain, the highest peak in West Virginia, and will bring the area of that park to 189,520 acres. Other authorizations by the commission included the purchase of 35,334 acres as additions to eastern national forests and a recommendation sent to President Coolidge that 430,457 acres be acquired for extension of western national forest reserves.

Packing Trade The New York Times of January 8 reports that satisfaction with the outlook for the packing industry was expressed in New York, January 7, by the heads of two of the leading meat packing companies in the United States. "Increased hog raising in Europe and the necessity for cheaper meat in that market is gradually eliminating that outlet for American packing products," said F. Edson White, president of Armour & Co. "Because of this the American packing industry is confining its operations largely to the American trade and is improving its manufacturing and merchandising methods."...."There is no apparent reason why prosperity should not continue for some time to come, but from past experience we know that meat packing is not dependent for success on general industrial activity," said E.A.Cudahy, chairman of the Cudahy Packing Company. "The packer's principal requirement is an abundant supply of raw material. At the present time cattle and sheep are plentiful, with prices on a reasonable level. There is now an abundance of young hogs, with every indication that their prices in the coming year will be more in line with those of other livestock."

Sugar Situation An editorial in The Journal of Commerce for January 4 says: "No one will ever be able to determine the effectiveness of the Cuban sugar restriction program as a price raising device, because the condition which it was intended to correct no longer exists. Now that the Cuban Government is at last in a position to enforce a substantial curtailment of production, the world situation has so changed that prices would probably advance to satisfactory levels, even were there no prospects of artificial restriction. The sugar industry unquestionably needs to be reformed in some manner. The erratic price swings and the alternations of jubilant prosperity and profound depression are intolerable for insiders as well as exceedingly hard on the sugar consuming public. Unfortunately remedies are applied without a previous accurate diagnosis of the disease. As in the case of most agricultural products, the expansion of sugar growing is encouraged by past profits and takes place without due weighing of future conditions of demand and supply. Then the inevitable hard times supervene, and there follows a demand for restriction which is based upon computations of past losses without proper allowance for the probabilities of compensatory offsets in the future.....Temporary expedients to alleviate the desperate economic straits of Cuban planters doubtless had to be adopted last spring to avoid the serious political consequences that would have grown out of failure to do something positive and immediate. Restriction as a permanent device is, however, under no circumstances and nowhere adapted to meet the changing requirements of agricultural markets. It has required less than a year to demonstrate this truism in the case of sugar. ....What is the obvious consequence of these factors of restricted

supply and increased demand working in conjunction? Prices have already risen sharply in anticipation of a higher market, thus introducing anew the old elements of danger--danger that sugar growing will be unduly encouraged again and at the same time an opposing danger that expanding consumption may be discouraged. This means more than a simple reversion to past troubles because restriction schemes are costly, whether they fail or succeed....."

Section 3
MARKET QUOTATIONS

Farm Products

Jan. 10: Chicago hog prices closed at $12.10 for the top, being 10¢ above last Monday's top price. All classes of killing cattle also show advances ranging from 10 to 25¢. Vealers and heavy calves are steady and stocker and feeder steers steady to 25¢ higher. Fat lambs gained 10 to 25¢ yearling wethers $1 to $1.10, fat ewes 65¢ and feeding lambs 50 to 75¢ for the week.

Maine sacked Green Mountain potatoes closed at $2.85 to $3.15 per 100 pounds in eastern cities; bulk stock mostly around $2.30 f.o.b. Presque Isle. Mid-western yellow onions sold at a general jobbing range of $2.50 to $3.25 sacked per 100 pounds in consuming centers and at $2.65 f.o.b. West Michigan points. New York Danish type cabbage ranged $22 to $30 bulk per ton in terminal markets and $18 to $20 f.o.b. Rochester. New York Baldwin apples $3 to $4 per barrel in city markets and $2.60 to $2.75 f.o.b. Rochester.

Closing prices on 92 score butter: New York 50 1/2¢; Chicago 48 3/4¢; Boston 50 1/2¢; Philadelphia 51 1/2¢.

Grain prices quoted January 10: No.1 dark northern Minneapolis $1.41 to $1.45. No.2 red winter St.Louis $1.39. No.2 hard winter Kansas City $1.38. No.3 yellow corn St.Louis 74¢; Minneapolis 75¢; Kansas City 74¢. No.3 white oats St.Louis 48¢; Minneapolis 45¢; Kansas City 48¢.

Average price of Middling spot cotton in 10 designated markets advanced 25 points, closing at 12.58¢ per lb. January future contracts on the New York Cotton Exchange advanced 19 points closing at 13¢, and on the New Orleans Cotton Exchange they advanced 22 points, closing at 13.04¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Jan. 10,	Jan. 8,	Jan. 9, 1926
20 Industrials	156.56	155.85	159.10
20 R.R. stocks	120.73	120.73	112.31

(Wall St. Jour., Jan. 11.)

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DAILY DIGEST

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Vol. XXIV, No. 9 Section 1 January 12, 1927.

FARM BODIES INDORSE MCNARY-HAUGEN BILL The Associated Press to-day reports: "Four farm organizations last night laid before the House agricultural committee a blanket indorsement of the new McNary-Haugen bill, climaxing a day spent in a bitter but successful fight in committee to retain its equalization fee for controlling crop surpluses. The indorsement was signed by the American Farm Bureau Federation, the Cotton Growers' Exchange, the Corn Belt Federation and the Executive Committee of Twenty-two, and was conveyed to the House committee after the McNary-Haugen, Aswell and Curtis-Crisp bills had been considered. In view of this organized action, Chairman Haugen said his committee might not wish to consider further either the Aswell or Curtis-Crisp bills, particularly since the equalization fee, the center of farm-relief controversy, was approved by a 13-to-6 vote at the morning session."

OTHER BILLS The Senate agricultural committee yesterday favorably reported the bill providing appropriation of $6,000,000 to be used in loans to farmers in crop failure areas for purchase of feed and seed grains.

The Senate agricultural committee agreed to the proposed amendment to the Packers and Stockyards Act, providing Federal control over private yards of big packers.

Representative Winter of Wyoming yesterday opposed the recommendation of Secretary Work that 200,000,000 unreserved acres of public land be placed on lease system, as tending to make the Government perpetual landlord. (Press, Jan.12)

A NEW FARM BILL The press of January 11 reports: "A new farm bill, which aims to combine the various features of the bills already before Congress, to be bi-partisan in character is being prepared for submission to the Congress within a few days. Carl Vrooman, former Assistant Secretary of Agriculture, is one of the moving spirits behind this new measure. It will eliminate the equalization fee which is the outstanding feature of the McNary-Haugen bill and to which so much objection is registered in certain quarters. The new bill will provide for the creation of an export corporation, payment of export bounties, storage of surplus crops and regulation of production through control of planting machinery for which will be operative in the smallest townships. The section authorizing a farmers' export corporation has been taken from the Robinson-Oldfield bill introduced at the last session of Congress....The storage provision follows the lines of a bill sponsored by Senator Harrison of Mississippi, and proposes that surplus crops of one year shall be stored against a possible future shortage of the staple. The equalization fee is to be abandoned because it finds no favor in the East and very little in the South, and the bounty feature is substituted. According to Mr. Vrooman, this will bring the increased prices the farmers are demanding, while its application will be much easier than would be the equalization fee provision of the McNary-Haugen bill.... "

Section 2

Corn Borer Fund

In an editorial on a Congressional appropriation to combat the corn borer, The Journal of Commerce for January 11 says:"....If the facts are as stated, and if the Department of Agriculture has plans mapped out for effective control of the borer, or is in a position to map out such a campaign with reasonable hope of success, then, of course, there can be no question whatever as to what ought to be the decision of the Senate. Of course, Congress ought to use its best judgment in determining the facts of the case, but our experience with the cotton boll weevil, which spread all over the belt while those in authority in Washington slept, is enough to put us on notice that the time to repent of such negligence is before, not after the event."

Eight Hour Farm Day

An editorial in The Nebraska Farmer for January 8 says: ".....Successful concerns will testify that the shorter day has compelled the more economical use of time and money. It has enforced the elimination of waste and has focused attention upon the sources where these things formerly occurred. So also, if the average farmer were obliged to work only eight hours, or approximately so, he would find out where those eight hours would pay the best. There would be no time for milking ten cows where five would produce an equal quantity of milk. Labor saving machinery would be installed to take the burden from the backs of men and women just as it has in the factory. Supply would be adjusted to demand, or if unfavorable weather created an under-supply, the farmer would not suffer so much as he does now from overproduction. The point we are trying to drive home is that the farm can not compete with the factory unless it uses factory methods, recognizing that the American factory outstrips the world in efficiency. When the man on the farm views his problem from this standpoint, he will by common consent bring about the things that are necessary to insure his emancipation. If you have not read the article referred to, we should be glad to have you do so, and give us your reaction."

Farm Loan System

An editorial in Wallaces' Farmer for January 7 says: "A bill has been introduced in Congress which gives the Treasury Department the power to prepare standards for the farm land banks and to see that they live up to them. We don't like the sound of it. The Treasury Department thinks habitually in terms of urban business; we doubt if it would be able or willing to plan in terms of farm business. More than that, private agencies lending money on land have been for years decidedly jealous of the Farm Loan System. If the Treasury Department were inclined to be more sympathetic to their views than to farm views, matters could be arranged so that the farm land banks would trip over red tape at every step. There is enough red tape in the system now; there are enough folks in it who are more interested in their own jobs or their friends' than in farm welfare. Some of the intermediate credit banks have been run with the idea of giving first aid to the existing banking system rather than of providing a new type of credit. The Federal Farm Loan System needs revision to make it of more use to agriculture. Turning part of it over to Mr. Mellon won't help much toward that end."

Florida Bulb Production

An editorial in Florida Times-Union for December 31 says: "A news story from Daytona Beach the other day told of a shipment of eleven million flower bulbs to the National Gardens Corporation. The suggestion is made that this is a record for any American community or development, and adds that another shipment of nine million bulbs is expected shortly. The bulbs are to be planted in the National Gardens, which will extend some distance along the right of way of the Florida East Coast railway and include something like sixteen thousand acres. It is expected that before May there will be possibly twenty-five million bulbs blooming in these gardens, the scene presented being unusual and most beautiful. Great attention is being given to bulb-growing in Florida, and indications point to steady increase in acreage and development of bulb farms....The demand for bulbs is enormous, and Florida having shown great adaptability for this production is getting attention from foreign bulb growers as well as those of the United States...."

Forestry in Britain

An editorial in The Field (London) for December 23 says: "The public hears little of the achievements of the Forestry Commission, and to most people it comes as a surprise to find that since 1919 the commission has provided for the planting of no less than one hundred thousand acres in England, Scotland and Wales. The Commission is now anxious to acquire further areas from private owners by long lease or purchase. Blocks of about 800 acres or more are required, but an area of this size can be made up of two or three parcels of land belonging to different owners....Looking to the future, it seems that the further acquisition by the Forestry Commission of land on long lease from landowners is likely to prove advantageous to both parties. The commission undertakes the work of afforestation on its own land--considerable State forests are now being established--but there are thousands of acres in private hands which could not be turned to any better purpose than afforestation. The owner who lets land to the commission retains the sporting rights and amenity value of his land, and he is relieved of a part of the burden of rates and taxes.....The large objective of the policy laid down by the Acland committee is the planting of no less than 1,770,000 acres of land not previously planted, of which 1,180,000 acres should be planted in the first 40 years. Steps are also being taken to secure better management and increased production in the three million acres of woodland which were in existence before the war. Furthermore, a scheme has been inaugurated for the establishment of forest workers' holdings. This entails the creation of small holdings in forest areas, not more than five holdings for each thousand acres of woodland....The smallholder is guaranteed by the commission not less than 150 days' work in the forest each year; the rest of his time he can devote to his holding. The new forests under the control of the commission are, it is reported, giving employment to some 2,000 men in summer and 3,000 men in winter, and more foresters will be needed as new areas are taken over.....Last year we bought from abroad timber to the value of some fifty million pounds and so there is plenty of scope for the development of more forest areas in our countryside."

New England Tobacco Growers

A Hartford, Conn., dispatch to the press of January 9 states that at the forty-fourth annual meeting of the New England Tobacco Growers' Association at Hartford, Jan. 8, officers were reelected, and a resolution was passed asking the General Assembly of Connecticut to appropriate $40,000, $20,000 a year for two years, to maintain and

expand the tobacco experimental station at Windsor.

Standardization An editorial in The Nebraska Farmer for January 8 says: "...The outstanding feature in the trial of the Whitnack Produce Company versus S.R.McKelvie and The Nebraska Farmer was that the farmers of western Nebraska found it necessary to establish standards and certify their seed potatoes in order that they might establish a permanent and profitable market in other regions. They were forced to this by competition from other States and by the demand of growers to know the kind of seed they were buying. The jury held this to be a right that should not be infringed. This simply is another illustration of how the farmer finds it necessary to apply the accepted practices of trade in order that he may avail himself of better markets and higher prices. The manufacturer long since learned that he must standardize his products, give them a trade name and advertise these standards and trade marks to the world as a guarantee of quality and service. There is no reason why the products of the farm should be excepted from this rule, and they can not be...."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 11: Grain prices quoted: No.1 dark northern Minneapolis $1.41 to $1.45. No.2 red winter St.Louis $1.38. No.2 hard winter Kansas City $1.37. No.3 yellow corn St.Louis 77 to 85¢; Minneapolis 74¢; Kansas City 73¢. No.3 white oats St.Louis 49¢; Minneapolis 45¢; Kansas City 48¢.

Chicago hog prices closed at $12.15 for the top, bulk of sales of desirable 140 to 200 lb.averages $12 to $12.10. Beef steers choice $11.25 to $12.50; heifers, good and choice, $7 to $11.25; cows, good and choice $6 to $7.75; low cutter and cutter $4.25 to $4.75; vealers, medium to choice $10 to $13, heavy calves, medium to choice $6 to $8.50, stocker and feeder steers, common to choice $6 to $8.25; fat lambs, medium to choice $11 to $13.25; yearling wethers, medium to choice $9 to $11.10; fat ewes, common to choice, $4.90 to $7.40; feeding lambs, medium to choice, $11.50 to $13.

Maine sacked Green Mountain potatoes $2.85 to $3.15 per 100 pounds in eastern cities; bulk stock mostly $2.30 f.o.b. Presque Isle. New York Baldwin apples $3 to $4 per barrel in city markets; $2.60 to $2.75 f.o.b. Rochester. Best New York and midwestern yellow onions ranged $2.50 to $3.25 sacked per 100 pounds in consuming centers and $2.25 to $2.75 f.o.b. New York Danish type cabbage sold at $22 to $30 bulk per ton in terminal markets $18 to $20 f.o.b. Rochester. Florida pointed $1.75 to $2.25 per 1 1/2 bushel hamper in eastern cities.

Average price of Middling spot cotton in 10 designated markets unchanged at 12.58¢ per lb. January future contracts on the New York Cotton Exchange advanced 3 points, closing at 13.03¢ and on the New Orleans Cotton Exchange they were unchanged at 13.04¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Jan. 11,	Jan. 10,	Jan. 11, 1926
	20 Industrials	155.68	156.56	157.58
	20 R.R. stocks	120.90	120.73	112.48

(Wall St. Jour., Jan. 12.)

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Vol. XXIV, No. 10 Section 1 January 13, 1927.

THE SECRETARY'S ADDRESS AT TRENTON

The New York Times to-day, in its report of Secretary Jardine's address at Trenton, N.J., yesterday, says: "Speaking at the State Agricultural Convention yesterday afternoon in the State House, Secretary William M. Jardine, of the United States Department of Agriculture, made a plea for the adoption of modern scientific methods in the farming industry and complimented New Jersey upon its progress in this direction. He declared New Jersey had applied most of the results of the researches developed in agricultural experiment stations....Talking of conditions in New Jersey, Secretary Jardine declared that nowhere was there such intensive farming as in this State. Gloucester and Cumberland Counties, he said, were among the eleven in the United States which led in the production of vegetables for marketing. Each of these counties, he added, had an annual production valued at between $2,000,000 and $3,000,000. This State also, he said, had the largest truck farm under a single management in the United States. He referred to the Del Ray Farms at Bridgeton....New Jersey farmers, he said, were in a much more favorable position than agriculturalists in other parts of the country. He touched upon the distress of the farmers in the West and declared that not only the agricultural interests in that section of the country were adversely affected at this time, but also other businesses. For that reason, he said, western farmers might be excused if they were painted sometimes as radicals. They were not quite as radical, however, as they seem, he said...."

AGRICULTURAL BILL

The House yesterday agreed to the conference report on the agricultural appropriation bill, carrying $128,511,739, according to the press to-day.

MCNARY-HAUGEN BILL

The House agricultural committee failed to agree yesterday on the McNary-Haugen farm relief bill because of opposition to the equalization clause, but voted down all proposed substitutes.

OHIO ASKS FARM AID

A Columbus, Ohio, dispatch to the press of January 12 states that the Ohio General Assembly January 11 rushed through both branches a resolution memorializing Congress to enact farm relief legislation at the earliest possible moment. The dispatch says that other States in the West and Midwest are to take similar steps.

COLLEGE ATTENDANCE

An Associated Press dispatch from Boston to-day states that in its sixteenth annual survey of the country's colleges and universities, The Boston Transcript estimates the number of young men and women now attending college in the United States at approximately 750,000.

Section 2

Agricultural Review

An editorial in The Breeder's Gazette for January 6 says: "The year-end reviews of the Nation's business leave no room for doubt as to the prosperity of the great industrial and transportation interests, Melons have apparently been maturing upon everybody's vines except upon those where they should ripen first--upon the soil itself. Labor is fully employed, and at the highest wages in history. Never has the buying power of the American public, as a whole, been so great, and still the products of farms and fields, generally speaking, are not bringing prices that enable producers to show profits on investments made in recent years. There are exceptions to this, however, and The Gazette is glad to be able to assert that these exceptions are to be found almost universally among those who have followed animal husbandry intelligently in some one or more of its many branches There has been money made in sheep and wool; there has been money made in hogs, and the cows have brought in their full share when the right sort has been properly placed in a sound system of diversification. On the other hand, there has been plenty of money lost in cotton. There has been plenty of money lost in trying to grow corn as a cash crop on high-priced lands, burdened with heavy taxation. Such losses are not likely to be turned into permanently steady profits by an known legislative process. There are too many planters of cotton, and there are too many planters of corn who own no livestock. The South's problem is how to restrict the area devoted to cotton, and how to increase the acreage assigned to legumes and livestock. The Corn Belt's problem is how to feed more of its grain at a profit. We need wider markets for good finished meats, and we will get them if we organize and advertise how good a rich fat steak or chop can be. Any way you approach the subject you run squarely up against the need of livestock. It is fundamental. Farming without stockkeeping is indeed a poor business. Farming with livestock may be a profitable or an unprofitable business, just according as it is managed...."

Animal Industry Research in Britain

An editorial in The Field (London) for December 30 says: "Lord Balfour, Sir John Gilmour, Sir J. Alfred Ewing, Col. Wingate Gray and Professor Lorrain Smith are the signatories to an appeal for funds to endow a Chair of Animal Breeding inthe University of Edinburgh. Lord Woolavington has already given 10,000 pounds toward this endowment, and now further funds are needed to complete the foundation. The establishment of the chair forms part of a wider scheme which will provide an enlarged department of research in animal breeding under the joint control of the University and the Edinburgh and East of Scotland College of Agriculture. Such a department has been in existence, on a small scale, since 1920, and has already demonstrated its potential importance and value under the directorship of Doctor Crew, whose researches in this subject have received wide recognition and have drawn to his laboratory students from many lands. The work has attracted the attention of the International Education Board of New York, one of the Rockefeller foundations which is always on the outlook for scientific work giving special promise of international usefulness. Their representative has visited Edinburgh, and has convinced his board that the establishment in Edinburgh provides the nucleus of such an institution as they desire to see developed, and that, if properly extended, it will service for the training of research students from all parts of the world, and also give facilities for the investigation

of special problems of immediate importance to agriculture. With this end in view the International Education Board have made a contingent offer of 30,000 pounds towards the building and equipment of the department and the endowment of the chair....The offers both of the International Education Board and of the Government will not become effective until the whole cost is guaranteed. An appeal is therefore made to those who are interested in the development of stock-breeding to contribute the sum necessary for the endowment of what is likely to be the most important school of animal genetics in Europe. Britain is the stud farm of the world, and it is to be hoped that, although, business is none too prosperous just now, our prominent pedigree breeders will come forward and help. All too little is known about the basis of scientific facts upon which the stockbreeder's art has been developed, and we are in a good position to profit by the work of the scientist in this field."

Employment Situation in Britain

The employment situation in Great Britain continued bad throughout November although a slight improvement was shown during the last half of the month. The coal mining stoppage still seriously affected the iron mining, steel, tinplate, heavy engineering and shipbuilding industries, according to advices just received by Bankers Trust Company of New York from its British information service, In addition a seasonal decline occurred in the building trades. Of approximately 12,000,000 people insured against unemployment under the Unemployment Insurance Acts in Great Britain and Northern Ireland, 13.5% were unemployed at the end of November, compared with 13.6% a month earlier and with 11% at the end of November 1925. Among the members of those trade unions from which the Ministry of Labor receives returns, 13.2% were unemployed at the end of November compared with 13.6% at the end of October and with only 11% at the end of November 1925. At the end of November there were 1,545,000 applicants for employment registered at the employment exchanges in Great Britain and Northern Ireland. Of this total 1,206,000 were men, 265,000 were women and the remainder were boys and girls. At the end of October the total registered was 1,610,000, and a year ago the total was 1,227,000.

Farm Loan System

An editorial in The Ohio Farmer for January 8 says: "The opponents of the Farm Loan System admit defeat of their plan to transfer the control of the Federal land banks to the Treasury Department, and instead have proposed a system of inspection similar to that of the national banks. The worst feature about this plan is that it is proposed by the Treasury Department, which is not in extra good favor with the farmers at the present time. If the suggested plan had been worked out with the advice and consent of the farm leaders of the Nation there would be no question about it mustering the required support, but like so many things proposed at Washington, agriculture was not consulted....The Farm Loan System has been subject to repeated attacks by the farm mortgage bankers, who dislike to see their field invaded. Because of this enmity and because of the desire of the bondholders of the system to exercise a greater degree of supervision over the system, the farmer stockholders have been denied the control which was promised them when the original act was passed. For this reason agriculture needs to be constantly on the watch to protect the whole Federal Farm Loan System."

Packer Case

The press of January 12 reports that Charles E. Hughes, former Secretary of State, and Douglas, Syme, Veeder & Faulkner, counsel for Armour & Co. and Swift & Co. and the Armour and Swift groups, petitioned the court of appeals January 11 to transfer the appeal in the packers' case to the United States Supreme Court. The meat packers appealed from the refusal of the lower court to set aside the famous "consent decree" by which they were required to divest themselves of all lines unrelated to the meat business. The appellate court decided on January 3 that the packers should have appealed direct to the United States Supreme Court.

Production

An editorial in the The Northwestern Miller for January 5 says: "There recently appeared in parallel columns of the United States Daily the Department of Agriculture's report of sowing of winter wheat and a statement by Representative Haugen, chairman of the House committee on agriculture, expository of his farm relief bill. The winter wheat seeding report showed an increase of more than two million acres over the 1925 sowing, while the statement of Chairman Haugen explained in considerable detail how his bill will 'enable the farmers, without subsidy, to dispose of their own crops when produced in surplus amounts.' This may, of course, be an instance of wholly accidental paradox; or it may be the farmer's reply to all of the ado about keeping him from bankruptcy; or it may be that, in anticipation of Chairman Haugen's helpful efforts, the farmer is determined to give the law a job that is a job as soon as it shall be enacted. The one certain thing is that the farmer is no believer in restraint of production as a cure for his ills. He means to produce more wheat than ever, as much wheat, indeed as he can. Even in the South, where cotton troubles abound, he is turning to wheat as a money crop, several Southern States showing considerable increases in wheat acreage. All of this is, perhaps, of little importance save as it goes to show that the discontent of agriculture over the price return from its production is not so serious as it is painted. In three Southwestern States, whose representatives in Congress are strongly committed to the cause of the wheat grower, the area this year sown to wheat exceeds last year's by nearly one and a quarter million acres. It is perhaps possible to attribute this condition to the farmer's faith in the Government. It seems rather more reasonable to believe that he is sufficiently satisfied with conditions as they are to go his way and let the politicians go theirs."

South as Market

A lengthy editorial on "The South as a Market" in The New York Times of January 11 says: " . . . . Agriculturally, the South, diversifying its crops, has confounded those who used to think of it only as the Land of Cotton. The tobacco crop has had an enormous expansion. In 1925 the product was 1,125,000,000 pounds, of a value of $195,082,000. The yield was 70 per cent of that of the whole United States. In the same year farm products were worth $6,000,000,000, and less than 25 per cent represented cotton and cottonseed. The value of manufactured articles was $9,500,000,000. Alabama, Kentucky, Tennessee, Virginia and West Virginia mined 216,628,000 tons of coal -- the total for the United States was 585,628,000. Mineral production in eleven Southern States showed an increase in 1924, as compared with 1900, of 689 per cent. What had been regarded in some quarters as an overbuilt

railroad system showed an increase of 57.3 per cent in ton-miles in 1925 over 1916. ..... The foreign trade of the South in 1925 rose to high figures, an increase of 3,700,000 long-tons, an advance of 14 per cent over 1924. In volume, Louisiana led, with a total exceeding 10,700,000 tons. These are Shipping Board totals. ..... Counting West Virginia and Oklahoma as Southern States, population is now 39,206,000. Assessed property value, less than half of the true value, is $31,048,588,000. The number of motor vehicles owned exceeds 5,000,000. It has been well said that 'today there is but one recognized aristocracy in the South -- that won by education, culture and hard work.' The public-school expenditures of the South amount to $464,864,000. ....."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 12: Maine sacked Green Mountain potatoes 5¢ to 10¢ lower at $2.85 to $3.15 per 100 pounds in eastern cities; bulk stock $2.30 f.o.b. Presque Isle. New York Rhode Island Greening apples $3.25 to $3.75 per barrel in New York City. New York and Michigan Baldwins $3.75 to $4 in Chicago. New York and midwestern yellow varieties of onions $2.50 to $3.25 sacked per 100 pounds in consuming centers; $2.50 to $2.75 f.o.b. New York Danish type cabbage steady in New York City at $28 to $30 bulk per ton; irregular at $18 to $30 elsewhere; f.o.b. sales in western New York ranged $18 to $19.

Chicago hog prices closed at $12.20 for the top, Beef steers heifers and cows range from steady to 25¢ higher; vealers, heavy calves and stocker and feeder steers are steady at last Wednesday's prices. Fat lambs are slightly higher, yearling wethers range from 15¢ lower on the better grades to 50¢ higher on lower grades; fat ewes are 65¢ higher and feeding lambs 25 to 50¢ up, compared with last Wednesday's prices.

Grain prices quoted January 12: No.2 red winter St.Louis $1.39. No.3 mixed corn Minneapolis 70¢. No.3 yellow corn Minneapolis 74¢; St.Louis 78¢; No.3 white oats Minneapolis 45¢; St.Louis 47¢.

Closing prices on 92 score butter: New York 49 1/2¢; Chicago 48 1/2¢; Philadelphia 50 1/2¢; Boston 50 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 19 points, closing at 12.77¢ per lb. January future contracts on the New York Cotton Exchange advanced 15 points, closing at 13.18¢, and on the New Orleans Cotton Exchange they advanced 17 points, closing at 13.25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Jan. 12,	Jan. 11,	Jan. 12, 1926
	20 Industrials	155.50	155.68	157.39
	20 R.R. stocks	121.01	120.90	111.92

(Wall St. Jour., Jan. 13.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 11 Section 1 January 14, 1927.

MCNARY-HAUGEN BILL

The Associated Press to-day reports: "The McNary-Haugen farm relief bill with its controversial equalization fee feature was approved yesterday by the House agriculture committee, partly lines breaking on the 13-to-8 vote to report the measure. Four Republicans joined with that many Democrats in opposition, while eight Republicans and five Democrats supported it. Chairman Haugen was instructed to ask the rules committee to provide for an early House vote on the proposal, which is certain to face a bitter fight if it is called up before March 4 adjournment. One of the agriculture committee members who announced he had voted to report the bill was Representative Fulmer of South Carolina. He explained that in so doing he had reserved the right to fight for delaying imposition of the equalization fee on cotton and, if unsuccessful, to vote against the measure on final passage.....A new move was made to substitute the Curtis-Crisp bill, which would not provide an equalization fee, but it failed, 16 to 5. Wednesday it received ten affirmative votes to eleven in opposition....."

COTTON REPORT LEGISLATION

The Senate agricultural committee yesterday unanimously approved the Smith bill instructing the Department of Agriculture to issue annual report on amount of cotton held over from one season to another. (Press, Jan. 14.)

RIVER-HARBOR BILL

The press to-day reports that the House yesterday adopted by a vote of 276 to 82 the conference report on the $71,000,000 rivers and harbors authorization bill. It provides for purchase of the Cape Cod Canal, improvement of the Illinois and upper Missouri Rivers, and work on other projects.

RAIL MERGER SOUGHT

The press to-day says: "The long expected merger of the Great Northern and the Northern Pacific Railroads has taken definite form. It was announced yesterday that a meeting would be held at New York next week to begin the work of framing a petition to the Interstate Commerce Commission for authority to merge the two roads. If the unification is carried out as planned it will mark the creation of the largest railroad system in North America in point of mileage...."

COTTON EXPORTS

Establishment of a new high record for monthly cotton exports, the displacing of the United Kingdom by Germany as the leading importer of American cotton and the largest domestic consumption since last March, were shown in the December cotton trade figures of the Census Bureau issued yesterday. December exports totaled 1,531,297 bales, as against the previous high record of 1,517,891 bales in October, 1913. For the first five months of the present cotton year exports have totaled 5,575,220 bales, compared with 4,680,478 bales in the same period a year ago.

Section 2

Compulsory Cooperation

An editorial in The Nor'-West Farmer (Winnipeg) for Jan. 5 says: "Despatches from Victoria intimate that the British Columbia Minister of Agriculture will in all probability introduce legislation at the forthcoming session of the House making cooperation in that province compulsory. From what the Minister has said on previous occasions he believes that if a majority of the producers of any commodity decide on cooperative marketing the minority must fall in line. B.C. fruit growers are vitally interested and it is for their benefit that the measure is proposed. The Associated Growers was organized in the British Columbia fruit sections four years ago with approximately 85 per cent of the tree fruit tonnage. Now the co-op. handles about 60 per cent of the crop which shows a considerable falling away. The backsliders on cooperation have either joined forces with the independents or shipped fruit on their own account. This state of affairs has added to the number of fruit shippers. The larger independents last year organized and worked in the closest cooperation with the Associated Growers in distributing and marketing problems resulting in a satisfactory movement of fruit insofar as these two bodies were concerned. A number of smaller shippers refused to work with the larger associations in preventing gluts and to generally stabilize the business with the result that these bad actors upset the marketing apple cart for all concerned and it is this type of shipper that both independent and cooperative grower plan to snare in some way....."

Equalization Fee

An editorial in Commerce and Finance for Jan. 12 says: "Agricultural self-consciousness in the United States, which is dormant even in the most prosperous times, was reawakened in 1921, has been acute ever since, and will continue to demand recognition until at least a gesture is made in its direction. Most close observers of Congress seem to think that neither the McNary-Haugen bill nor any other embodying the levy of an 'equalization fee' upon a commodity can be passed and that a substitute encouraging and offering financial aid to cooperative marketing eventually will be adopted. Such a course would be more in accordance with classical economic principles but it would not provide the immediately higher prices that the farmers hope for. If that is the outcome of the present agitation, industry will have to fall back on 'doing its own washing' to keep busy and it will likely follow for the present the more restrained pace of the last two months of 1926 than the headlong activity of the earlier part of the year."

Firestone Reports on African Rubber

The New York Times of January 13 reports that Harvey S. Firestone, jr., vice president of the Firestone Plantations Company, arrived Jan. 12 in New York. He has spent three months in Liberia in connection with the 1,000,000-acre rubber plantation which the Firestone interests are developing...."Rubber planting in Liberia has passed the experimental stage and become an accomplished fact," said Mr. Firestone. "The Firestone Plantations Company now has more than 200,000 mature rubber trees which yield about 100,000 pounds of rubber monthly. Thousands of acres have been cleared and planting has been started. The trees will be ready for tapping in five years. The 200,000 mature trees were planted in 1910, which furnish seeds for the development. I may say that Liberia is exactly suited to become a great rubber-producing territory for the United States. Contrary to the usual ideas about

Africa, Liberia is a healthful and pleasant country. We have plans for extensive sanitation. One of the biggest problems in any rubber growing country is that of labor. We expect ultimately to employ 300,000 men, and the character and habits of the Liberian natives go far to assure us we will be able to do so...."

Hemp Raising in Canada

Experiments in growing hemp on irrigated lands in Southern Alberta have been entirely successful, and it is stated that the investigations and experiments carried out in 1924 and 1925 open up great agricultural and industrial possibilities, says a Canadian Department of the Interior report. In 1925 three acres sown to hemp at Tilley in the St.Julien irrigation colony east of Calgary produced a bumper crop, which was successfully marketed in the same season. The Alberta hemp was sent to an Ontario mill, where it graded equal to Italian T.B. hemp or Wisconsin hemp and at prevailing prices was worth 12 cents a pound at an eastern manufacturing plant.

Land Banks

An editorial in Ohio Stockman and Farmer for Jan. 15 says: "It is unfortunate that the daily press should have referred to the recent investigation of certain land banks as a scandal or in similar terms. For there is no land bank scandal. Secretary Mellon says that 'while the operations of the Farm Loan System have, generally speaking, proceeded in a satisfactory manner, there appear to be many opportunities for substantial improvement in both the administrative and the operative features of the system.' That is only what is to be expected of any new fiscal system, for in no other way than by actual experience can deficiencies be found. But capital is proverbially timid, and the holders of securities issued by the land banks are naturally alarmed over the vague reports that have been published, intimating rather than charging that something is wrong. They are more likely to see these repeated intimations than to read Secretary Mellon's words: 'The system has fully demonstrated its capacity for providing valuable service to the farmer. Bonds of the system, offered to the investing public, are entirely sound and their popularity is increasing.' If the Secretary's assurance is accepted, and his suggestions for improvement enacted, no further action should be necessary at this time. If not a proper investigation should be made, not to discover anything wrong but to reassure the public, misled by vague and unwarranted reports."

Mexican Rubber Plan Ended

A Mexico City dispatch to the press of January 9 says: "The American Chamber of Commerce has received a letter from the Firestone Tire and Rubber Company of Akron, Ohio, saying the company has abandoned its project to grow rubber in the Mexican State of Chiapas. Soil, climate and all natural conditions in Chiapas are favorable for rubber production, but the Firestone Company explains that it found 'other conditions' such as would militate against the project."

Morgenthau on Foreign Trade

The foreign trade of the United States will become increasingly important, Henry Morgenthau, once Ambassador to Turkey, told members of the New York Advertising and Selling Class of the Advertising Club Jan. 11, when he spoke on "The Opportunity for American Business to Follow American Diplomacy." "The United States at present, with her improved methods of production, her great resources and her systematic methods of organization," said Mr. Morgenthau, "can compete with any

other nation, and is creating a tremendous trade abroad. We must have our eyes particularly on the Far East. The opening up of China and Russia will mean great things for the United States. Eventually this country will be called upon to build tremendous railroad mileage in both those countries. The younger generation of this country must increase its horizon. We must not only be caterers to our own 115,000,000 of population, but the leading purveyors to the whole world. Our business men of the future will be like the business man of the past in Great Britain--they will do business with all of the world....." (N.Y.Times, Jan. 12.)

Sugar Beets For the South

An editorial in The Wall Street Journal for Jan. 12 says: "Why not raise sugar beets in some parts of the South? This is the suggestion of a southern reader who gives evidence of practical interest in the discussion on diversified farming. It is of the utmost importance that southern farmers should discover some crop that can be raised profitably on the land usually devoted to cotton, says the reader, and after giving warm approval to the idea of more grass, he suggests the additional crop of sugar beets. A program of diversification can not be successfully worked out in a single season. It is a matter of growth, experimentation and education. Good advice would be to go slow on the matter of sugar beets. The advice of agricultural experts should be obtained, and their opinions tried out by experiment before embarking to any considerable extent in such production. Obviously, this should apply to any new crop. It does not seem that beets would be a profitable crop in the South, because of soil and climatic reasons. Beets thrive best when the summer temperature averages about 70 degrees Fahrenheit. This is considerably below the temperature of the cotton States. They can not withstand drought, or excessive moisture....It is not by accident or chance that the bulk of the present sugar beet production is in the Atlantic and New England States, the North Central, and some of the Mountain States, and a considerable crop in California. The soil appears to be one of the main determining factors. It would seem as if a great part of the work of the glacial period was to fit the North Central States for the culture of beets. Our Southern States are capable of carrying a much greater population than now, and the time will come when we must utilize every means of food production. Would it be possible to develop a type of beet to fit southern environments? The best winter wheat in the world is now being raised where once it was thought wheat could not be produced. South Dakota was once thought to be above the corn line, but now is becoming a great producer of that cereal. And the question is, can the South find a type of sugar beet worth raising? The experiment at least seems worth a trial."

Wheat Market

An editorial in The Wall Street Journal for Jan. 13 says: "In the first week of January the highest point at which May wheat sold at Chicago was a fraction under 140. This is about 43 cents below the highest of a year ago. Conditions, however, are so very different that the two seasons are not comparable. The future of our wheat market this year must depend upon world-wide influences. To date the official estimate of the world total, exclusive of Russia and China, is 3,298,000,000 bushels, compared with 3,263,000,000 a year ago, an increase of 35,000,000 bushels. Importing countries have 150,000,000

bushels less than a year ago, and the exporters 185,000,000 more. This change makes a great difference in the statistical position of the world's crop.....That the price thus far is not considered high is to be seen from the world's exports, which up to the end of December were 301,600,000 bushels, against 238,400,000 a year ago. As the exports are now running, the consuming world is pretty nearly making up its deficit by imports. To the end of December the United States exported in the neighborhood of 150,000,000 bushels, which would leave about 50,000,000 for export to the end of June. Canada has an exportable surplus about three times as large, which it should clear before the first of September. Argentina, on paper at least, has a surplus of 160,000,000 bushels, and Australia 100,000,000. These surpluses and the export to date amount to about 760,000,000 bushels. Balancing this against the Broomhall estimate of 704,000,000 bushels as the importing world's needs for the season, it will be seen that there is at least a theoretical sufficiency of wheat. To supply the world needs for the balance of the season, exports should average about 13,000,000 bushels a week. Canada can average 5,000,000, the United States 2,000,000, and the Southern Hemisphere 10,000,000, on paper. But it would be an unusual thing to see the Southern Hemisphere shipping that much wheat. The Winnipeg Free Press states that out of 231,000,000 bushels of the Canadian crop inspected to the end of December, 46.5 per cent graded contract wheat, against the average of 80 per cent. This would look as though Canada has much low grade wheat in its large surplus. While there is, therefore, more than a sufficient number of bushels of wheat to meet the world requirements, the distribution of it seems to be in favor of the American surplus."

Section 3

MARKET QUOTATIONS

Farm Products Jan. 13: Chicago hog prices closed at $12.10 for the top at Chicago. Beef steers heifers and cows ranged from steady to 25¢ higher; vealers, heavy calves and stocker and feeder steers are unchanged. Fat lambs are 5 to 15¢ up, yearling wethers are 15¢ lower to 50¢ higher, the lower end of the grade sharing the advance in prices; fat ewes are 15¢ higher and feeding lambs 25¢ to 50¢ up.

Maine sacked Green Mountains ranged $2.85 to $3.15 per 100 pounds in eastern markets; bulk stock mostly $2.25 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25 to $2.40 carlot sales in Chicago; $1.95 to $2.10 f.o.b. Waupaca. New York Rhode Island Greening apples sold at $3.50 to $4.50 per barrel in leading markets. New York Danish type cabbage sold at a range of $18 to $30 bulk per ton in distributing centers, mostly $18 to $19 f.o.b. Rochester. New York and Midwestern onions held firm at $2.50 to $3.25 sacked per 100 pounds in consuming centers; $2.50 to $2.75 f.o.b. shipping points.

Grain prices quoted Jan. 13: No.1 dark northern Minneapolis $1.42 to $1.47. No.2 red winter St.Louis $1.39. No.3 yellow corn St.Louis 75¢; Minneapolis 75¢. No.3 white oats St.Louis 47¢; Minneapolis 45¢.

Average price of Middling spot cotton in 10 designated markets declined 7 points, closing at 12.70¢ per lb. January future contracts on the New York Cotton Exchange declined 9 points, closing at 13.09¢, and on the New Orleans Cotton Exchange they declined 12 points, closing at 13.13¢. Closing prices on 92 score butter: Philadelphia 49¢; Boston 48 1/2¢; New York 48¢.(Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXIV, No. 12 Section 1 January 15, 1927.

THE MCNARY-HAUGEN BILL The Associated Press to-day reports: "Minority reports, laying down, in a general way, the prospective lines of attack on the McNary-Haugen farm relief bill, in the event it reaches the floor, were being prepared yesterday by two members of the House agriculture committee. They will be filed by Representatives Fort, Republican, New Jersey, and Asgell, of Louisiana, ranking Democrat on the committee, and will attack the McNary-Haugen measure from viewpoints of constitutionality and expediency. The bill was approved January 14 by a committee vote of 13 to 8. Fort will attempt to show that the equalization fee, which the bill seeks to impose on crops to control surpluses, is unconstitutional, and Aswell will contend its imposition would ruin the cotton industry. Meanwhile, Chairman Haugen was framing his resolution by which the rules committee will be asked to arrange early discussion of the bill on the floor. He said he expected no great difficulty in getting the committee to act. Representative Tincher, of Kansas, a Republican member of the committee, said he would 'sign every protesting report prepared.'"

THE HULL RESOLUTION The Associated Press reports to-day that interest was manifested in a resolution introduced yesterday by Representative Hull, of Tennessee, under which Congress would declare itself in favor of paving the way toward a broad agricultural program, embracing temporary and permanent relief, the tariff, freight rates, river transportation and other questions.

A CAPPER MEASURE The press states that a measure to encourage agricultural extension work by States was offered yesterday by Senator Capper, providing for a Federal appropriation of $480,000 for the first year, to be divided equally between the States. Each year the appropriation would be increased by $500,000, until the end of the eleventh year, when an annual appropriation of $6,000,000 would be authorized.

The press also states that the Senate agriculture committee yesterday favorably reported a resolution by Senator Capper, under which the first Thursday in October of each year would be observed as Agriculture Day throughout the United States.

BUSINESS VOLUME The press to-day states that the dollar volume of business during the first week of January, as seen from check payments, was greater than in either the preceding week or the corresponding week of 1926, the Department of Commerce revealed in a statement yesterday. Receipts of wool at Boston showed similar comparisons. Although exports of wheat were smaller than in the preceding week, they were four times as large as a year ago, with wheat-flour exports during the first week of January also showing increases over both periods. Exports of corn were smaller than in either the previous week or the corresponding week of last year.

Section 2

Alabama Road Bonds — By almost unanimous vote of both its branches, the Alabama Legislature has passed bills authorizing an election on April 12, calling for a Constitutional amendment to permit a $25,000,000 bond issue for the construction of roads in that State. This indicates that Alabama's law-making body is alive to its responsibilities and appreciates the necessity for highway development on a big scale. (Manufacturers Record, Jan. 13.)

British Agriculture — In a review of conditions in Britain during 1926, Country Life (London) for January 1 says: "....The past year has shown little, if any, improvement in the generally depressed state of agriculture, though the establishment of sugar-beet factories and the operation of the subsidy have proved very much more successful than was anticipated. The immediate benefit is manifest, but it is also claimed that the sugar-beet crop conveys a secondary important benefit by breaking up the hard pan beneath the soil. We have, for many years, pointed out how greatly handicapped British agriculture has been by the lack of a standard pig, such as is produced in Denmark. The Danish standard pig, indeed, has enabled the Danes to help themselves to something like 85 per cent of our bacon trade. The majority of English pigs sent to the bacon factories in this country are unsuitable for the best trade. And while this fact has long been well known and universally deplored, it was not until last autumn that serious steps were taken towards the consolidation of breeders and feeders into one strongly organized body. The National Pig Breeders' Council has now led the way and, after long discussions with other bodies interested, has formed a National Association of Pig Industries, which includes (or will include) all British Pig Societies and Clubs, as well as those interested in the British bacon factories and the curing, handling and marketing of British pigs. The reports of the Food Commission have drawn attention to many defects in our present system of marketing. An outstanding instance is that of Imperial produce, for it has been found that the cost of production of Canadian apples, ever when added to the cost of freight to these shores, is only one-eighth of the retail price. The disparity between wholesale and retail prices in home-grown produce is also inordinate. Immediate benefit may not result from these investigations, but in due time legal steps may be taken to check extortion and afford redress both to the ultimate consumer and to the producer....."

Farm Taxes — An editorial in Indiana Farmers Guide for Jan. 15 says: "It is a fact that is well-known to those familiar with conditions that the farmer is carrying a crushing burden of taxation. He is paying taxes on a fictitious valuation of his land, and there is no doubt that taxation will shortly mean confiscation of thousands of farms in Indiana, if something is not done to remedy the situation. The complete remedy involves many factors, prominent among which is greater efficiency in spending the tax money, along with the deferring of some improvements until more favorable times. Only strenuous effort, long continued, can even begin to solve the tax question, but some immediate help should be forthcoming from a reappraisal of farm property this year. The farmer is paying far out of proportion to his just share. He emphatically is not taxed according to the income producing capacity of his property, and that is what hurts. It does

not set well with the farmer to see a wealthy man in his county-seat town, who has more money invested in his furniture and rugs than the farmer has invested in his farm and equipment, 'get by' with a nominal assessment of a few hundred dollars for household goods. He feels too that he should have greater mortgage exemptions. The holder of the mortgage is taxed, and the farmer is taxed on the land too. Tax-exempt securities, and stock dividends which go untaxed, are further sources of irritation. The whole tax question is in a terrible muddle. The cost of local and county Government, especially, have become almost intolerable, with little relief in sight. Reappraisement of farm lands can help some, and we ought to have it this year."

Irish Farm Loans

An editorial on the reports of the banking commission, in The Irish Statesman (Dublin) for Jan. 1, says: "....The problem of long-term loans for farmers in Ireland is attended with difficulties created by the sentiment of the agricultural community here and which does not, so far as we know, exist to a like degree in Europe. It is not popular here to sell up a farmer even if he has borrowed on the security of his land. The sale may be abortive. It is the sentiment which links up a particular family with a particular farm in a union almost as indissoluble as marriage. God or the Nation has joined them and let no man put them asunder. He would be a brave man who would buy a farm from which a farmer and his family had been sold out by his creditors. In Germany and elsewhere it is possible to lend money on the security of land, and nobody thinks the farmer is more to be pitied than any other individual who has offered house property or bonds in security for a loan if on failure the creditor forecloses. So long as Irish farmers have this feeling, so long as this sentiment makes sales of land abortive, they must not expect that banks or credit institutions of any kind will look with much favor on Irish land as security for long term loans, and what other security have farmers to offer? The commissioners draw attention to the fact that 57 per cent of the sales of farms in 1925-26 were abortive. But for this sentiment it is certain, we think, that infinitely more capital would be available for the development of Irish agriculture. 'The Commission unhesitatingly expresses its opinion that unless the existing outlook in these matters is completely altered the farming community should not expect, and certainly do not deserve any amelioration in the conditions under which they can obtain credit.' It is impossible to borrow freely unless there is 'full recognition of the justice of the debt so incurred and full readiness to have the creditor take possession in the event that the debtor finds himself unwilling or unable to meet the terms of the agreement.' It is worth while Irish farmers thinking over this and asking themselves whether their connection with the land is so sacred that it overrides any considerations of honesty. Continental farmers do not regard themselves as in any way different from ordinary debtors, and hence their credit-worthiness is much greater than that of Irish farmers and great institutions, land mortgage banks supply their needs for capital with little or no difficulty."

Tattersall on Cotton Industry

Frederick W. Tattersall, writing on the British cotton industry in Manufacturers Record for January 13, says: "Nineteen twenty-six has been the sixth consecutive year of depression in the English cotton industry. The biggest boom in its history took place in 1919, and since the end of 1920, when the slump was very severe, spinners and

manufacturers have experienced very unsatisfactory conditions, and instead of profits being made, a large amount of money has been lost. A year ago many traders were optimistic as to the future, the belief being held that our best customers in foreign countries would be compelled to replenish their stocks of manufactured goods. The anticipated revival, however, has not been experienced. There have been at least two outstanding factors which have been decidedly against better trade. In the first instance an event of supreme importance has been the coal dispute, which lasted seven months. During that period spinners and manufacturers were not only handicapped by the shortage of fuel, but the high prices which had to be paid for coal affected to a serious extent the industry as a whole. Secondly, the downward tendency of prices for raw cotton, with a consequent fall in values of manufactured goods, has resulted in buyers being extremely cautious in placing orders with producers. Throughout the trade the financial situation has caused increased anxiety. Numerous failures have taken place, and many spinning and manufacturing companies have either gone into liquidation or been compelled to reorganize their capital...."

Section 3
MARKET QUOTATIONS

Farm Products

Jan. 14: Maine sacked Green Mountain potatoes mostly $2.85 to $3 per 100 pounds in city markets; bulk stock $2.15 to $2.20 f.o.b. Presque Isle. Delaware and Maryland yellow sweet potatoes barely steady at 85¢ to $1.25 per bushel hamper. Tennessee Nancy Halls firm at $1.25 in Chicago. New York and midwestern yellow onions sold at $2.50 to $3.25 sacked per 100 pounds in consuming centers $2.50 to $2.65 f.o.b. New York Rhode Island Greening apples $3.50 to $4.50 per barrel.

Chicago hog price closed at $12.25 for the top. Beef steers and cows range from steady to 25¢ higher, heifers are unchanged. Vealers, heavy calves and stocker and feeder steers are steady with a week ago. Fat lambs are 15¢ lower, yearling wethers weak to slightly lower, fat ewes steady and feeding lambs 25¢ higher than last week.

Closing prices on 92 score butter: New York 47 1/2¢; Chicago 48¢; Boston 48¢; Philadelphia 48 1/2¢.

Grain prices quoted Jan. 14: No.1 dark northern $1.41 1/2 to $1.46 1/2, Minneapolis.No.2 red winter St.Louis $1.40. No.2 yellow corn St.Louis 78¢. No.3 yellow corn Minneapolis 75¢; St.Louis 75¢; No.3 white oats Minneapolis 45¢; St.Louis 47¢.

Average price of Middling spot cotton in 10 designated markets advanced 10 points, closing at 12.80¢ per lb. January future contracts on the New York Cotton Exchange advanced 9 points, closing at 13.18¢ and on the New Orleans Cotton Exchange they advanced 12 points, closing at 13.25¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 14,	Jan. 13,	Jan. 14, 1926
20 Industrials	154.91	155.45	156.90
20 R.R. stocks	120.63	120.57	111.26

(Wall St. Jour., Jan. 15.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 13 Section 1 January 17, 1927.

PRICE FIXING CHARGE

The Associated Press January 16 reports: "The Curtis-Crisp farm relief bill, one of the measures brought forward as a substitute for the McNary-Haugen measure, underwent a scorching attack January 15 from Representative Dickinson of Iowa. He characterized the Curtis-Crisp measure as 'price-fixing' after Representative Tilson, Republican leader, had declared he did not favor consideration of farm relief on the floor until after the disposition of appropriation bills. The equalization fee on agricultural commodities in the McNary-Haugen bill to control crop surpluses was defended vigorously, Dickinson characterizing it as a provision 'for honorable repayment of a debt to the Government.' He declared the only provision against loss of the $250,000 loan in the Crisp bill 'is that it shall be assumed by the Government, and still some of those who voted for that bill in committee voted against the Haugen bill last spring on the ground that it was a subsidy.'"

LIVESTOCK FEE

The press of January 15 reports that a measure to place all commission merchants and livestock dealers under the provisions of the Packer and Stock Yards Act of 1921, and to require them to furnish bond, was introduced January 14 by Senator Kendrick. It was offered as a substitute for a bill introduced earlier in the day by Chairman McNary of the agriculture committee, which contained some of its features. McNary later withdrew his proposal. The Kendrick measure would give the Secretary of Agriculture, administrator of the 1921 act, authority to regulate the commission charges of stockyard operatives, examine all books, impose penalties for violation of departmental regulations and hear complaints of shippers against commission house services.

NEW YORK OATS MARKET

The New York Times to-day reports that trading in oats futures on the New York Produce Exchange has already established an important position in the grain industry of the country, although it was inaugurated only two weeks ago, according to B.H.Wunder, President of the Exchange. "Although trading has been under way only two weeks," Mr. Wunder said, "it has been long enough to demonstrate that the grain trade in the East had real need of an oats futures market, with Buffalo delivery. Oats hold a most important position among coarse grains and the exchange always has been the chief distributing market for the enormous eastern consumption districts of foodstuffs....."

EGG RECORD

An Associated Press dispatch to-day from Agassiz, B.C., states that a hen at the University of British Columbia experimental farm laid 351 eggs last year, setting a world record. According to the report the previous record was held by an Australian pullet, which laid 347 eggs in 1924.

Section 2

Agricultural Legislation

In a long editorial on agricultural legislation, the Kansas City Star for January 12 says: "....Those who have studied the agricultural problem without considering the effect it may have upon the political fortunes of any party or individuals, have arrived at some very definite conclusions. They realize that agricultural products are not bringing satisfactory prices. They admit that the efficient farmer should be adequately rewarded for his efforts. Prices should not be stimulated to such an extent that the inefficient farmer should be justified in increasing his production. They are opposed to any legislation which would require a vast number of employees to collect fees throughout the country. They are opposed to anything which would eliminate cooperative or competitive marketing agencies which enable the farmer to dispose of his products to the best possible advantage. They favor the purchase and holding of surplus crops for the purpose of enhancing values, if such a policy can be inaugurated, with a reasonable assurance that the resultant increase in price will not stimulate still greater production and continued additions to this surplus from year to year. A bill which would increase the price of farm products to a fair level of values and provide against increased production would be welcomed by business men as well as the farmers themselves...."

Agricultural Problem

"The people of the United States are substantially agreed that we have an agricultural problem....Our agricultural problem is purely economic. When an economic problem becomes a political issue, the principles involved are liable to be submerged in an ocean of partisan prejudice and class or sectional interests, topped with a thick foam of personal ambitions. And any economic problem which concerns a large number of votes usually becomes a political issue, sooner or later. The farmer can no more climb to a higher economic plane by political action than could the builders of Babel ascend to a higher spiritual state by means of a tower constructed of stone and mortar. Agriculture can be helped only by recognizing, understanding and cooperating with economic law. To run counter to such law, by statutory measures or otherwise, is sure to invite disaster and end in failure." (W.I.Drummond in Agricultural Review of Am. Farm Congress.)

Automobile Taxes

An Associated Press dispatch from Chicago reports that figures compiled by the Sinclair, Standard, Texas and other oil companies and announced at Chicago, Jan. 14, by the Illinois Chamber of Commerce, showed that American motorists were assessed a total of $922,231,000 during the year 1926, for owning and operating their automobiles. Motor vehicle taxes totaled $735,226,000, according to the reports, while gasoline trades topped all former years with $187,005,000. Vehicle taxes were divided about equally between the State and city vehicle taxes and the Government's luxury tax on the sale of automobiles, the reports pointed out.

"Better-Beef" Packer Agreement

The Breeder's Gazette for January 13 says: "As has been already announced in these columns, an understanding has been reached between a committee of the National Better Beef Association and leading packers in reference to the establishment of certain standard grades or brands of beef under United States Government supervision. A delay in making

formal promulgation of the results of the conferences held in Chicago has been due to a desire to make it as nearly unanimous as possible on the part of all killers operating under Federal license. Needless to say, this is a consummation much to be desired if it can be brought about; and it is anticipated that a majority will be disposed to follow the lead of such concerns as Swifts, Armour, Wilson and Cudahy. Be not impatient, therefore, all you who are interested. It is a big proposition being worked upon, one that can not all be ironed out over-night by anybody. The important thing to know is that fine progress has already been registered. The awaited announcement will likely be released within the next two weeks."

Contract Cotton

Dallas, Tex., Farm News for January 7 says: "The 18,000,000-bale cotton crop as produced in the field will not loom nearly as large when it comes to the consideration of the trader in futures. That this year's yield of tenderable cotton may be as low as 11,000,000 bales and that the estimates of conservative houses figure untenderable as from 30 to 38 per cent of the bumper crop is indicated by a news report in the New York Journal of Commerce. For three weeks, one cotton market review has warned against short sales of contract cotton because of the grading results as the staple comes in and 'the growing uncertainty as to how much of the crop will prove deliverable on contracts, how much will be salable in the spot market and how much unsalable anywhere.'...If this feared shortage on contract cotton is a fact, a rise in its price will come. The effect on the speculative market does not concern the average farmer much. The only beneficiaries in increased prices in tenderable cotton would be those who have been able to hold what they have off the market and those who, dealing through the cooperatives, can expect some benefit from any rise in price...."

Cotton Goes West

An editorial in The Wall Street Journal for Jan. 15 says: "Cotton is in the Horace Greeley sense 'going west.' There are such large areas of virgin soil suitable for cotton that the migration is likely to continue for some years to come. The profits of extensive farming make the question of acreage reduction a doubtful one. Westward expansion offers such strong competition to the older sections of the East as to put them on their mettle if they are to stay in the business. The Dallas Morning News publishes a chart showing cotton acreage and production east and west of the Mississippi River, from 1910 to 1926. While both sections have increased acreage since 1921, the West has outstripped the East, and now has 64 per cent of the acreage and 60 per cent of the whole crop. Had the chart also carried fertilizer figures, it would have shown that the eastern section is a heavy user of commercial fertilizers, while the West makes a comparatively light showing in that respect. Even in Texas there is a difference in the use of fertilizer. The older lands are becoming exhausted, while the new soils of west and northwest Texas produce cotton without any fertilizing....These figures, plus the fertilizing, show an enormous advantage to west Texas and Oklahoma. The yield per acre by extensive farming is not so great. But as in the case of west Texas, where a man with a tractor can care for more than 100 acres, it is easily seen that the yield per man and mule far exceeds that of the East. Even at the low price of cotton now prevailing, this extensive farming without fertilizing should be profitable. As there are some millions of

acres of virgin land suitable for cotton production, a reduction in acreage in those regions is hardly likely. The only way in which the East can meet this competition is to reduce its costs by more intensive cultivation, raising more bales to the acre and producing superior grade and staple."

Market Prospect The Magazine of Wall Street for Jan. 15 says: "The market continues a highly selective affair, with strong and weak spots about even. Issues over-boomed in the past year or two are clearly giving evidence of distribution at the same time that their place is being taken by stocks which have not yet been exploited. Thus, the opportunity of discrimination in a two-sided market is afforded the investor. The action of the market, as a whole, is without especial significance at this time except perhaps as revealing a state of more or less uncertainty in regard to business prospects. There is no general trend as yet which will, however, undoubtedly be established with the first clear indications of the actual outlook for business."

McNary-Haugen Bill An editorial in The Journal of Commerce for January 15 says: "With the McNary-Haugen crop stabilization bill favorably reported to the House by the committee on agriculture, the danger that Congress may rashly commit itself to unsound methods of subsidizing agriculture becomes acute. The bill introduced into both houses by Messrs. McNary and Haugen at the present session differs superficially in a good many respects from preceding plans sponsored by these gentlemen. Stripped, however, of fresh trimmings, the old garments are revealed to view, and show themselves as the ill-fitting, expensive garb that they have always been....The false economic premises upon which this legislation is based have been exposed time and time again. The insuperable difficulties in the way of deciding when a surplus exists, what 'stabilization' will cost and how to apportion such costs among the beneficiaries have also been discussed at length. There is really nothing more to be said except to point out once again that the McNary-Haugen bill in its new dress still implies a gigantic raid upon the Treasury in the interest of particular groups of producers who, in the long run, will discover that the subsidies they now want are disguised evils."

Milk Legislation The New York Times of January 14 states that Dr.Louis I.Harris, New York Health Commissioner, sent telegrams to ten Senators January 13 urging them to prevent the passage of the Lenroot bill, H.R.11768, already enacted by the lower branch of Congress. He said the bill as drawn would prohibit the importation of milk from Canada and cause a milk famine in New York City and other municipalities in New York State and New England. Doctor Harris predicted that the enactment of the present bill would increase the price of Grade B milk in New York from ten cents a quart to twenty or twenty-two cents or even higher.

Section 3

Department of Agriculture An editorial in The Breeder's Gazette for January 13 says: "Dan D. Casement, a staff correspondent of The Gazette, at the request of Secretary of Agriculture Wm. M. Jardine made a personal investigation early last year of the conditions affecting grazing fees in western forest ranges. His report was submitted to the Secretary several weeks ago, and is available in printed form. It is a clear, forceful and unbiased statement of the author's views, based on

information and opinions gathered in many forest range areas....Having read his report, The Gazette's opinion is that he has not only acquitted himself with high distinction, but rendered a fine service to stockmen, the Government and all others interested in a sound policy affecting the use of herbage on the forest ranges....In substance and spirit, Mr. Casement's report commands the respect of all parties to the long-standing range controversy."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended Jan. 15: Chicago hog prices closed at $12.15 for the top. Choice heavy steers 25 to 50¢ higher, inbetween grades weak, 10 to 15¢ lower; heifers mostly steady and cows strong to a shade higher. Vealers steady to 50¢ higher, heavy calves steady and stocker and feeder steers strong to 25¢ up for the week. Fat lambs are 15 to 25¢ lower, yearling wethers 25¢ off, fat ewes 25 to 35¢ higher and feeding lambs 25¢ up.

Markets generally dull account of severe weather. A few sales of Maine sacked Green Mountain potatoes brought $2.80 to $3.15 in eastern cities; bulk stock weaker at $2.15 to $2.20 f.o.b. Presque Isle. New York Rhode Island Greening apples $3.50 to $4 per barrel in New York City; $3.50 f.o.b. Rochester. New York and Midwestern yellow onions ranged $2.75 to $3 sacked per 100 pounds in a few cities; $2.50 to $2.65 f.o.b. New York Danish type cabbage $2 to $4 lower at $20 to $27 bulk per ton in eastern markets; $17 to $18 f.o.b. Rochester.

Butter markets at the opening of the week ending January 15 were fairly firm but later weakness developed and price declines of several cents featured the markets. Fresh supplies were heavier but storage goods were well cleared. Closing prices on 92 score: New York 49¢; Boston 49¢; Chicago 48 1/4¢; Philadelphia 49 1/2¢.

Markets practically steady. Receipts moderate, demand fair, but not urgent. Shipping inquiry good for best grades of hay of all classes. Demand for dairy hays active, best grades bringing substantial premiums. No.1 timothy Boston $24.50; New York $26; Cincinnati $19.25; Chicago $22; St.Louis $22.50. No.1 alfalfa Omaha $19.50; San Francisco $18; Los Angeles $19.50. No.1 prairie Omaha $17.50; Chicago $20; St.Louis $18.50; Minneapolis $20. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 15,	Jan. 14,	Jan. 15, 1926
20 Industrials	154.99	154.91	155.10
20 R.R. stocks	121.33	120.63	109.80

(Wall St. Jour., Jan. 17.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 14 Section 1 January 18, 1927.

FAVORABLE TRADE BALANCE

A favorable trade balance for the United States of $377,869,970 for the year 1926 was shown yesterday in foreign trade figures made public by the Commerce Department. Exports were $4,810,411,597 and imports $4,432,541,627. The imports were greater by more than $200,000,000 than the $4,226,589,263 import total of 1925. The exports, however, fell off nearly $100,000,000 from the 1925 total of $4,909,847,511.

FORESTRY DEVELOPMENT URGED FOR VIRGINIA

A Harrisonburg, Va., dispatch to the press to-day says: "Holding that the American farm industry is now suffering from a price-depressing food-crop surplus production, the Rockingham Farm Bureau Federation, composed of 1,040 Shenandoah Valley farmers, yesterday petitioned Congress, through Virginia's Senators and Representatives, to divert Federal funds to be used in reclaiming farm lands in the South to the development of forestry and the production of timber. The resolutions will also be sent Governor Byrd and Virginia will be asked to use any reclamation funds it may have to the development of its forests."

INSECT INVASION

An editorial in The Washington Post to-day says: "The biggest appropriation ever made to aid in the extermination of an agricultural pest is that which is carried in the bill introduced by Mr. Purnell, of Indiana, which passed the House January 8. The bill carries the staggering figure of $10,000,000 and the indications are that every dollar can be profitably used in the attempt to check the ravages of an alien insect known as the European corn borer, which has made frightful progress toward the destruction of the cornfields of some eight States within the last few years. The committee on agriculture was convinced of the danger confronting the corn States after very brief hearings, and in spite of the unprecedented size of the proposed appropriation there was no objection to the measure in the committee. Almost simultaneously with the reporting of the bill came news from Illinois that the pest has invaded that State, and several specimens have been captured and sent to the Bureau of Entomology for verification....Advices from Chicago indicate that the corn belt is aroused over the threatened danger and that the States in that region are ready and anxious to cooperate in every way with the Washington authorities in the proposed war of extermination. With the pink boll worm reported as making its appearance in the cotton fields of Arizona, the Japanese fly entering Pennsylvania, and the European corn borer rapidly approaching the very heart of the corn country, the Bureau of Entomology has plenty of work cut out for the coming season. Director Howard, some time ago, vigorously sounded the alarm by stating that a death struggle was on between men and insects. At present the insects have the better of the fight. No expense should be spared by Congress in making war on these enemy invaders."

Section 2

Automobile Industry

D. W. Ellsworth, reviewing the automobile industry under the title "Uncertainty Faces the Automobile Industry in 1927," in The Annalist for January 14, says: "In no section of American industry do business prospects for the year 1927 appear to hold so much uncertainty as in the manufacture of automobiles. None can gainsay that 1926 was a very prosperous year. On a record combined output estimated at 4,480,000 units, leading manufacturers will shortly report the largest earnings in history despite repeated price reductions. The history of the industry, however, casts considerable doubt on the probability of the continuance of a high degree of prosperity over a period as long as two consecutive years, in spite of assertions that conditions are entirely different now. Production, it is said, is now closely regulated by demand as indicated by retail sales reports from the dealers. Time payments are also said to be granted under more careful supervision and on sounder terms than heretofore...."

Business Conditions

Federal Reserve Bulletin for January says: "Activity in manufacturing industries decreased in November and December, while production of important minerals continued at a high level. Wholesale prices declined to the lowest level in more than two years. Firmer money conditions in December reflected the usual seasonal requirements in connection with holiday and end-of-year activity. Factory employment and pay rolls declined in November, reflecting decreased activity in many important industries, but, owing to the large output of minerals, the Federal Reserve Board's index of production in basic industries advanced somewhat during the month. Production of bituminous coal and petroleum in recent weeks has exceeded all previous records, and output of copper and zinc during the month of November was in unusually large volume. Pig-iron production also increased slightly in November, but steel-mill operations in that month and in December were considerably reduced. Automobile production, which is not included in the index of production in basic industries, declined sharply in November for the second consecutive month and was smaller than in any month since August, 1925. Textile-mill activity was maintained during November at approximately the same rate as in October. The value of building contracts awarded showed less than the usual seasonal decline in November and was slightly larger than in November, 1925. Awards for December likewise exceeded those reported in the corresponding period of last year...."

Capper on Farm Situation

Senator Capper of Kansas is the author of a long article entitled "Here's What the Farmer's Plight Looks Like to Me," in System for January. In this the Senator says: "...There are whole lines of farming where every competent farmer, not only the remarkably competent farmer, is prosperous to-day--due usually to conditions over which the farmers engaged in that line have a deal of control. The citrus growers, for example, need little sympathy. They have built up so great a demand for their products that oranges, lemons, and grapefruit bring prices which yield acceptable returns to the producer even though the annual crop has been increased many fold in the past few years. A good many other lines of agriculture might be cited which have accomplished much the same things, if less spectacularly. But on analysis one fact stands out: These prosperous lines of farming are, in general, what might be called 'specialty lines,' in

distinction to the staple lines such as wheat, corn, potatoes, cotton, livestock, tobacco, and the like. Most of these prosperous lines of farming are very small in proportion to the staple lines which are not prosperous. Dairying has more nearly approached a basis of stabilized prosperity than have any other of the large staple lines.....Another thing: The number of farmers engaged in producing a given specialty is much smaller than the number engaged in producing a staple. Consequently the difficulties of organizing the staple farmers are much greater than the task of organizing any specialty group into a working and workable unit. No one of business experience can fail to realize how much more facilely an association of a few thousands can be organized than can an association of millions. But the problems of the average farmer are rooted more deeply than in any question of organization....The kernel of the whole agricultural problem is in the difference between the value of what a farmer sells and what he buys. The latest figures from Washington show that what a farmer sells will bring 34% more than before the war, and that the average selling price of non-agricultural commodities, which the farmer must buy, is 59% higher than before the war. This difference between the 34% and 59% shows the handicap against agriculture....The last Congress accomplished some things for agriculture. The law providing for a Division of Cooperative Marketing in the Department of Agriculture is a long step forward, giving official recognition and aid as it does to the movement for cooperative marketing of farm products....To sum it up, here is how I see the farm situation: As a business man, I recognize that the farmer's plight is extremely serious to business. As a farmer, I know that we are not making the money we should make from our farming activities, and I am not satisfied that this should be so. As a United States Senator, I recognize that the farmer is entitled to some help."

Cotton Reduction

An editorial in The Journal of Commerce for January 13 says: "....Who is going to reduce cotton acreage? Well, it hardly stands to reason that there will be much retrenchment in the new lands where money is being made at present prices. That leaves the matter largely 'up to' some of the now high cost producers in the old sections of the belt, where the land has become partially exhausted or where for other reasons costs are high. If production is to be curtailed enough to make cotton raising regularly profitable in some districts a very drastic change will have to be instituted--one that is not likely to take place. It would without much question necessitate substantial curtailment in localities that at the present time seem to be best fitted for cotton growing. The question would accordingly seem to be not only who is to reduce acreage, but who is going out of the cotton raising business altogether. Certainly this is a pressing question in fairly extended areas in the East. When the situation is stated in these terms, the question at once arises: What are the farmers who abandon cotton to do for a living? It is indeed a serious matter with them, and indirectly for not a few others. Yet the impersonal force of economic pressure seems to be driving events in that direction with the usual degree of inexorability. Not a few in such States as Georgia, Alabama and in some degree in other localities, who are now racking their brains to find a way to make cotton growing profitable to them had much better be studying the situation with a view to discovering other crops suitable to their needs or other means of making a living."

McNary-Haugen Bill

An editorial in The Baltimore Sun for January 15 says: "Action of the House committee on agriculture in voting to report the McNary-Haugen bill favorably causes hardly a ripple of excitement. The reason, no doubt, is that time is growing short and there is little expectation that the measure will have a chance of passing both Houses It is notable that there remains the same disagreement among farm interests and their representatives as to the practicability of the scheme of relief put forward. As an instance of it, the committee on agriculture voted down by a bare majority of one - 11 to 10 - the Curtis-Crisp bill which eliminated the equalization fee, the central feature of the measure now accepted. The bill is intended to supply further credit to agriculture, though many students of farming conditions lay present troubles largely to too abundant facilities for piling up debt. Proof of the dangers of this policy may be found at this time in the demand made by borrowers from Federal Land banks that they shall not be compelled to comply with their obligations. The McNary-Haugen bill calls for $250,000,000 to be loaned to cooperative and other farm organizations to buy, control and dispose of surplus crops. In the event the scheme did not work out as its sponsors anticipate - they concede it is experimental - it can well be imagined the sort of pressure, political and otherwise, that would be brought to force the Government to go easy."

Motor Taxation in Britain

The total gross receipts from motor taxation in Great Britain in the 12 months ended November 30, 1926, amounted to 19,032,682 pounds. Rebates allowed on pre-1913 engines amounted to approximately 87,000 pounds, while about 192,000 pounds were refunded in respect of the surrender of 35,058 licenses, according to data transmitted to Bankers Trust Company of New York by its British Information Service. Further adjustments for other refunds were also made.

Packer Earnings

An Associated Press dispatch January 17 from Chicago states that gross earnings of $5,755,923 and net income of $3,169,758 are shown in the consolidated statement of Wilson & Co., Inc., Chicago packers, for the eight months ended October 30, 1926, the first fiscal period since reorganization. Combined dividend requirements on the preferred and class A stocks for the period were $2,526,565, the amount representing two-thirds of the annual requirement, which deducted from net income leaves a balance for the common stock of $643,193, equivalent to $1.20 a share on the 534,983 shares issued. The ratio of net income to sales was approximately 1.62 per cent for the eight months. Thomas E. Wilson, president, pointed out that the company's business "shows a healthy increase, sales for the period amounting to $196,000,000, or at the rate of $292,500,000 a year." Total assets were $98,035,632 and net working capital $34,467,128 as of October 30 last.

Prices in December

The recent general downward trend of wholesale prices continued through December, according to information collected in representative markets by the Bureau of Labor Statistics of the U. S. Department of Labor. The bureau's weighted index number, which includes 404 commodities or price series, registered 147.2 for December compared with 148.1 for November, a decline of more than one-half of one per cent.

Compared with December, 1925, with an index number of 156.2, there was a decrease of 5-3/4 per cent. Fuels showed the largest decline from prices of the preceding month, due to pronounced decreases for bituminous coal and coke. In all other groups except farm products and miscellaneous commodities December prices averaged slightly below those of the month before. Farm products were slightly higher than in November, while there was practically no change in the general level reported for the group designated as miscellaneous.

Section 3
MARKET QUOTATIONS

Farm Products Jan. 17: Livestock quotations at Chicago: Top price of hogs at $12.25.

Maine sacked Green Mountains $2.75-$3.05 per 100 pounds in eastern markets; bulk stock $2.15-$2.20 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25-$2.40 carlot sales in Chicago. Apple market: firm. New York Rhode Island Greenings at $3.50-$4.50 per barrel. Michigan Jonathans $5-$5.50 in Chicago. New York Danish type cabbage $20-$30 bulk per ton in terminal markets; $16-$17 f.o.b. Rochester. Florida Pointed type $2-$2.50 per 1½ bushel hampers in a few eastern cities. New York and Midwestern yellow varieties onions $2.75-$3 sacked per 100 pounds in consuming centers; $2.50-$2.75 f.o.b.

Closing prices on 92 score butter: New York 49¢; Chicago 48½¢; Boston 49¢; Philadelphia 50¢.

Closing prices at Wisconsin primary cheese markets: Twins 25¢; Single Daisies 25½¢; Longhorns 26½¢.

Average price of Middling spot cotton in 10 designated spot markets declined 3 points, closing at 12.81¢ per lb. January future contracts on the New York Cotton Exchange declined 2 points, closing at 13.22¢, and on the New Orleans Cotton Exchange they declined 7 points, closing at 13.23¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.46. No.2 red winter Chicago $1.37; St.Louis $1.39. No.3 red winter Chicago $1.35. No.2 hard winter Chicago $1.44; St.Louis $1.43. No.3 yellow corn Chicago 73 cents; Minneapolis 76; St.Louis 77. No.3 white corn St.Louis 75 cents. No.3 white oats Chicago 47 cents; Minneapolis 46; St. Louis 47. (Prepared by the Bu. Agr. Econ.)

Industrials and Railroads	Average closing price	Jan. 17,	Jan. 15,	Jan. 16, 1926
	20 Industrials	153.91	154.99	155.23
	20 R.R. stocks	122.32	121.33	109.70

(Wall St. Jour., Jan. 18.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 15 Section 1 January 19, 1927.

MCNARY-HAUGEN BILL The Associated Press to-day reports: "The relief which the McNary-Haugen bill aims to give the farmers is an experiment in the public interest and, therefore, the Government should assume the risk of the pioneering work, Chairman Haugen declared yesterday in reporting the measure for the House agriculture committee. 'The principle is well established,' he said, 'that the Government shall assume the risk of pioneering and experimenting in many fields where the public interest is involved, and to do so in behalf of the public welfare.' The problems of American agriculture have become so profound, he added, that they are 'beyond the power of individual farmers or their relatively small organization to solve.' Admitting that the bill carries a large appropriation--$250,000,000--he held, nevertheless, that this was merely to set the plan in motion and was not different from advantages the Government had extended to various lines of industry....."

THE SEED BILL The press to-day reports that the Norbeck-Johnson $6,000,000 seed loan bill was increased to $8,000,000 and approved yesterday by the House agricultural committee. The measure is designed to furnish means by which farmers in depressed agricultural areas may obtain seed with which to plant their crops. Of the $2,000,000 increase, $1,500,000 would be used for loans to South Carolina farmers to buy fertilizer, and $500,000 to Florida fruit growers to rehabilitate orchards damaged by the hurricane. The original $6,000,000 would be for making loans to farmers in drought areas of the Northwest, principally Montana, North and South Dakota and Minnesota.

COTTON REPORT LEGISLATION The press of January 18 states that semi-monthly cotton reports throughout the growing season made by the Department of Agriculture, would be done away with and the total number of reports reduced from eleven to four under terms of the bill by Representative Jones of Texas, adopted by the House Jan. 17 without opposition. The new order would be for the department to issue production estimates only on the first day of September, October, November and December....Another important feature of the Jones bill requires the department to make a report on the grades and staples of the carryover cotton and also of the cotton production. Under the present order the amount of cotton on hand includes a vast amount that is not tenderable under the ten grades named in the Cotton Futures Act and the purpose of this provision is to determine how much of the cotton is tenderable.

SPANISH GRAPE EMBARGO An Associated Press dispatch from Madrid Jan. 18 says: "In an effort to bring about the removal of the United States ban on Spanish grapes, placed because of the prevalence of the Mediterranean fly, the Almeria Grape Chamber has requested Foreign Minister Tanguas to ask the American Government whether the placing of the grapes in cold storage houses would be considered sufficient to lift the existing embargo."

Section 2

Canadian Wheat Outlook

In its first monthly review, in which it also summarizes conditions throughout the Dominion of Canada, the Bank of Nova Scotia states: "On the threshold of a new year the wheat outlook is always uncertain. In the last few weeks uncertainty has been more marked than usual. Official estimates of the world's export surplus in the current season place it at 880,000,000 bushels. Estimates of the world's import requirements vary between 865,000,000 bushels and 705,000,000. The question of which of these estimates comes nearer the truth is one of no small consequence to the farmer as well as to the trader. Recently the market has been a little firmer. Millers' stocks, both in England and on the Continent of Europe, are said to be low. Higher prices in the near future are therefore expected."

College Attendance

An Associated Press dispatch from Boston Jan. 13 states that in its sixteenth annual survey of the country's colleges and universities, The Boston Transcript estimates the number of young men and women now attending college in the United States at approximately 750,000. Commenting on the increased enrollment the Transcript said: "This basis of comparison, however, is not the formula which leads Europe to its present amazement at American collegiate enrollments. It is a fact that, whereas only thirteen persons in every 10,000 of the population of France and only fifteen in every 10,000 of the population of the British Isles are found attending the universities there, the latest (1923-24) figures compiled by the United States Commissioner of Education show about sixty college students for every 10,000 of America's population. And still no reason appears for the view that American collegiate enrollments have as yet reached their possible maximum, or anything like it. Fairly accurate computations show that the Nation has to-day some 6,000,000 young men and women between the ages of 18 and 21. Of these, it is estimated from divers tests, at least 20 per cent have the mental equipment which would enable them to enter college if their economic equipment permitted. To-day only 12½ per cent of the 6,000,000 voters are in college. Still remaining, therefore, as eligible candidates for college is at least another 7½ per cent of the 6,000,000 or 450,000 more American boys and girls likely to be enrolled in our colleges as soon as the advancing economic wealth of the country so extends as to include their families in the group, immensely larger than in any other country of the world, financially able to attend."

Cooperation

An editorial in The New York Times of January 14 says: "Agricultural cooperative associations are much to the fore in Washington and elsewhere. Many public men believe that the only real help which the Government can extend to the farmers is in the form of aiding, financially and otherwise, their cooperative societies. The record of such organizations is not wholly favorable. While some of them have been brilliantly successful, as in the case of the fruit growers of California, many have failed and gone out of business. None of the latter class can have crashed more disastrously than the Tri-State Tobacco Growers' Association, now in receivership. The details, as sent from Raleigh, N.C., to The Greensboro News, are eloquent of the real causes of the failure. During the four years of the association's existence it took in some $98,000,000, but laid out no less than $20,000,000 for 'expenses.' No business could hope to stand up under

such an operating cost as 20 per cent. There is no charge of squandering the funds of the Tobacco Growers' Association, although it paid a good many suspiciously high salaries and made certain outlays which were pretty nearly of the nature of a dead loss. The tremendous and unbearable overhead was due to bad management and lack of grasp of the market situation. In effect, as The Greensboro News says, 'the people who did not know how to market paid the people who thought they did' a tribute of about $5,000,000 a year. The whole showing is pretty sorrowful, and while it does not prove that agricultural cooperatives are necessarily inefficient, it does serve as a warning that there is no magic in cooperation as such."

Cotton

An editorial in The Wall Street Journal for Jan. 17 says: "It is important to note that the Census Bureau reported domestic consumption of cotton in December as 605,217 running bales, against 583,950 in November. On the strength of this, the market advanced about 75 cents a bale, but before the end of the day the price dropped back again. Evidently the market was taking a sober second thought, and those who had profits availed themselves of realizing. Taken by themselves, the consumption figures look bullish. Only three times in history has there been a larger consumption in any one month. The total for the season ending July 31, 1925, was large, but it averaged only 537,582 bales a month. The December consumption figures had a bullish cast, but it takes something more than past performance to justify a market advance. Barring occasional flurries, there are few who expect the market to go lower to any considerable extent, or for any length of time....If there is to be any material permanent advance, it must be founded on fundamental conditions justifying it. Can such conditions be seen at this time. It does not seem as though they can be found. It is true that the domestic consumption for the five months of the season amounted to 2,829,456 bales, against 2,598,119 a year ago. This is a gain of 231,237 bales in five months. The export market must take care of over 60 per cent of the crop. In the five months exports increased 892,542 bales. Like the consumption, this is a large increase if taken by itself. But compared with the enormous crop and carryover, consumption and exports together do not show a sufficient increase. A broad demand for American cotton throughout the world is necessary to make an advancing market fundamentally sound. Spinners' takings are the key. Let us look at them. Up to the 7th of January the world takings of American cotton were 8,275,589 bales, compared with 7,929,036 a year ago. Since August 1, 1926, takings have increased by 346,000 bales over those of the preceding year. Against this is to be compared the visible supply, which has been rapidly piling up. That visible is 1,754,696 bales larger than a year ago in spite of growing consumption and exports. Every time the spinners take one bale five more are put in its place. Until there is evidence of a broader demand throughout the world there seems small foundation for a substantial advance."

Engineering Council Asks Department

The press of January 15 states that after seven years of effort the American Engineering Council, in annual meeting at New York, January 14, decided to go before Congress with a definite plan for Government reorganization, coordinating all public work functions under a single Cabinet head.

Near East Farm Relief

An editorial in The Washington Post for January 17 says: "The Near East Relief announced not long ago that it was sending an experienced truck farmer to conduct a five-year demonstration of vegetable growing on the island of Syra, Greece. The farmer took with him, according to the announcement, a truck load of seed, a head full of sense, and a life full of experience, and his expenses are being paid for by funds which otherwise would have been spent to send food to the Near East. New England farmers have pledged full bred poultry and cattle for the demonstration farm, which is expected to render a great service to the farmers of Greece. This is the way relief should be administered. Money spent for food is soon gone and there is little to show for the expense. The same amount of money employed in a demonstration farm will assist persons in distress to find work, and soon they can be producing food for themselves. In the meantime, the condition of agriculture on the island of Syra should be generally improved, and finally the populace will find itself able to fill its own wants. . . . ."

Over-planting

An editorial in The Journal of Commerce for January 18 says: "The Department of Agriculture has again issued a warning to farmers against what is called 'overplanting' and the notion seems to be that during the coming season every effort should be made to bring about a restriction of acreage in order that the producer might be able to get better unit prices for his output. This would be very well if the Department of Agriculture were able to say exactly what overplanting is. Unfortunately there is nothing in its dictum by way of definition except the evident indication that it thinks that there is a close connection between overplanting and prices. But the department is not more nearly able to-day than formerly to predict the prices of agricultural products, and consequently the same difficulty as heretofore is encountered in determining whether a given acreage is or is not 'too large'. That question is dependent entirely upon what can be got for the product and what can be got depends wholly upon world conditions. Moreover, the question whether a farmer is 'overplanting' or not depends a great deal upon what he can do with his time if he does not overplant. Granting that he owns his land and is under the necessity of making some return on it the alternative between leaving a part of it idle and remaining idle himself and keeping his acres in cultivation and himself busy, even at a low rate of return, offers but little ground for doubt. The farmer usually gets what he can rather than hold off in order that others may get more. . . . ."

Southern Development

An editorial in Manufacturers Record for January 13 says: "The South justly boasts of its matchless climate and its equally matchless natural resources of coal and iron and oil, and marbles and granites, and a thousand other things. But the greatest asset of the South is its young people .... The young people of the South, boys and girls alike, are the one outstanding resource, vastly more important, even when viewed from the material standpoint alone, than all of its agricultural and mineral resources. How shall this man and woman power be utilized for its own good and the good of the South and the country? For years we have been educating the young people of the South and then turning them adrift to find occupation in the North and West.

We have put thousands of them in our agricultural colleges, and then, by reason of the conditions prevailing in agriculture, they have turned from farming to find employment in other pursuits. The South needs on its farms the highest technical education that can be had in our agricultural colleges....Because the farmers of the past have not delved as deeply as they should into the chemistry and science of farming we have wasted much of our soil fertility, we have added to the cost of farming and have made all the blunders that manufacturers in early days made when with their 'rule-of-thumb' method they eschewed the scientific expert, the chemist and the research worker, and blundered along, sometimes succeeding, but often failing...."

Section 3
MARKET QUOTATIONS

Farm Products

Jan. 18: Maine sacked Green Mountain potatoes $2.85 to $3 per 100 pounds in eastern cities; bulk stock $2.15 to $2.20 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25 to $2.40 carlot sales in Chicago; $1.95 to $2.10 f.o.b. Waupaca. New York Rhode Island Greening apples $3.25 to $4.50 per barrel. Midwestern yellow onions $2.75 to $3.25 sacked per 100 pounds in consuming centers. New York Danish type cabbage $22 to $30 bulk per ton in terminal markets; $16 to $17 f.o.b. Rochester.

Chicago hog prices closed at $12.25, beef steers choice $11.25 to $12.50; heifers, good and choice $7 to $11.25. Cows, good and choice, $6.25 to $7.85, low cutter and cutter $4.25 to $5. Vealers, medium to choice $11.25 to $15.00, heavy calves, medium to choice $6 to $8.50; stocker and feeder steers, common to choice $6.25 to $8.75; fat lambs, medium to choice, $11 to $13.25; yearling wethers, medium to choice $9 to $11, fat ewes, common to choice, $5.15 to $7.65, feeding lambs, $11.50 to $13.10.

Grain prices quoted Jan.18: No.1 dark northern Minneapolis $1.41 to $1.47. No.2 red winter Chicago $1.38; St.Louis $1.39; Kansas City $1.34. No.2 red winter Chicago $1.36; St.Louis $1.43. No.2 hard winter Chicago $1.45; Kansas City $1.39. No.3 yellow corn Minneapolis 77¢; St.Louis 82¢; Kansas City 74¢. No.3 white corn St.Louis 84¢; Kansas City 74¢. No.3 white oats Chicago 48¢; Minneapolis 46¢; St.Louis 46¢; Kansas City 47¢.

Middling spot cotton in 10 designated markets advanced 18 points, closing at 12.99¢ per lb. January future contracts on the New York Cotton Exchange advanced 16 points, closing at 13.38¢, and on the New Orleans Cotton Exchange they advanced 17 points, closing at 13.40¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 18,	Jan. 17,	Jan. 18, 1926
20 Industrials	154.11	153.91	155.98
20 R.R. stocks	122.18	122.32	110.34

(Wall St. Jour., Jan. 19.)

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DAILY DIGEST

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Vol. XXIV, No. 16 Section 1 January 20, 1927.

THE BANKING BILL The press to-day reports: "There were indications yesterday that the death knell had been sounded for the Hull amendments to the McFadden banking bill, when Representative Strong of Kansas, reported to the House that conferees were unable to agree. The McFadden bill, which has passed both House and Senate and which went into conference in the closing days of the last session, has for its general purpose the removal of restrictions on national banks so as to equalize competition between them and the State banks. Its salient feature is that it permits national banks to maintain branches in States where State banks are allowed to have branches. In about eighteen States State branch banks are not allowed."

FARM LOAN BANK CONFERENCE The press of January 19 states that the House committee on banking and currency behind closed doors January 18 heard from Assistant Secretary of Treasury Dewey and Farm Loan Commissioner Williams the reasons why the pending McFadden bill to place in the Treasury the duty of examining the banks of the Farm Loan system and making certain other changes in the Federal Farm Loan Act should be adopted. It was indicated that all of next week would be occupied with the hearings on this bill with the probable result of there being insufficient time remaining within which to secure any action by the House.

COTTON INSURANCE PLAN The press of January 19 reports that an insurance plan, voluntarily to be entered into by cotton growers, to protect the producers from loss, as a substitute for the equalization fee provisions of the McNary-Haugen farm relief bill, was presented January 18 to the Senate committee on agriculture by O.F. Bledsoe, of Greenwood, Miss. Mr. Bledsoe is president of the Long Staple Cotton Growers' Association. His plan initially would require setting up of a revolving fund by the Government, the amount estimated by the witness being $50,000,000, which sum would be diminished as the plan got into operation. Losses would be met and a reserve set up through charging a premium of 1/5 of a cent per pound.

BRITISH BEEF ORDER A London dispatch to the press to-day says: "A contract for 1,500,000 tins of beef for the British Army has been awarded to an American firm, instead of being placed, as usual, in Australia. As a result there is great dissatisfaction in Australian commercial circles. War Office authorities, however, are adamant. They state that Australia lost the order because of the careless packing of former consignments and that their first anxiety is for the health of the soldiers."

Section 2

British Cotton Conditions

An editorial in The Nation (London) for January 8 says: "John M. Keynes's articles on the cotton trade, recently published in The Nation, seem to have had more practical consequences than such things can generally achieve. They culminated last Tuesday afternoon in a crowded meeting convened in Manchester by the Committee of the Cotton Yarn Association to hear Mr. Keynes's advocacy of the association's scheme for forming what is in effect a cartel. Lord Colwyn presided. The leading banks were all represented by directors or managers; the Liverpool Cotton Association sent their vice-president; and there were a few hundreds of directors of spinning concerns present, including most of the leaders of the industry. To judge from the spirit of the meeting, which carried a motion in favor of the proposed scheme with only one dissentient, in spite of the fact that directors of concerns which have not yet agreed to join were, in view of the limited space available, invited in greater numbers than the already converted, it would seem that the association has every chance of being launched. But Lancashire men have a wonderful power of keeping their own counsel and then doing nothing. Certainly the need to try something new is becoming pretty obvious to the dullest. Cotton margins have worsened appreciably in the last few weeks. It is said that there is scarcely a mill in Lancashire which is not losing money by remaining open."

Compulsory Cooperation

An editorial in Farm and Dairy (Peterboro, Ontario) for January 6 says: "The announcement by the Provincial Minister of Agriculture for British Columbia that he is in favor of the provincial government passing a law making membership in provincial cooperative marketing organization compulsory, is full of interest. It indicates that British Columbia is preparing to follow in the wake of New Zealand and Australia in establishing compulsory pools. It is quite within the range of possibility that before long discussions on this continent relating to cooperative marketing will center around compulsory legislation instead of around voluntary pools, such as those that are now being widely promoted....The experience gained by various organizations in Australia and New Zealand of compulsory measures would seem to indicate that the farmers of British Columbia will do well to move slowly in this matter. Very few of the greatest difficulties cooperative organizations have to contend with can be overcome by compulsory cooperation. Take the Associated Growers of British Columbia as an example. During the second year of their operations they were called upon to market an abnormal crop. That year there were large crops all over the continent. The world's markets were glutted. Prices had to decline. While compulsory cooperation would have assisted in the orderly marketing of the British Columbia crop, it would have had no effect whatever on the world situation or world prices. On top of this the wheat growers of the Prairie Provinces that year were short of money because of a poor wheat crop. Thus they could not buy as much wheat as otherwise would have been the case. Compulsory cooperation on the part of the fruit growers would not have had any effect on the purchasing power of the prairie farmers. One of the greatest difficulties the Associated Fruit Growers have had to face each season has been the competition with fruit from the States and Ontario. Compulsory cooperation in British Columbia could have

no effect in eliminating competition from outside districts. The foregoing examples simply serve to show that while compulsory cooperation might tend to eliminate certain local weaknesses it has little or no influence on general conditions, and thus is very limited in the benefits producers may realize through it...."

Cotton Belt Conditions

J.S. Wannamaker, of St. Matthews, S.C., writing to Commerce and Finance for January 19, says: "I am a farmer in the Cotton Belt. I believe in the gospel of work--both physical and mental. I believe in self-help, and I believe in both the theory and practice of cooperation and in a diversified agriculture. But after the farmer has done his best is there not something that the Government should do for him? Something which the individual is unable to do for himself? Transportation--markets--surplus? Should not the Government lend a helping hand here? The farmers, up to now, have never been able to organize and take care of the 'surplus.' The farmer is the greatest gambler in the world. He runs all the risks of the seasons--'hot' and 'cold,' 'drought' and 'flood,' 'wind' and 'frost,' 'boll weevil' and other 'insects.' He never knows, when he pitches his crop, whether he will make a big crop or a little crop. If fortune favors him and he makes a bumper crop of cotton, he finds himself bankrupt. Should this continue? Shall forty million of people be permitted to suffer when the seasons are propitious and bumper crops are made? In our great country, are there not patriotic men, regardless of party, who have the courage and the brains to regulate freights, open up markets and take care of the 'surplus' in bumper years so that the millions engaged in agriculture may share some portion of the prosperity enjoyed by the millions engaged in other industries?"

Farm Loans

An editorial in The Journal of Commerce for January 14 says: "The country is fast learning why it is dangerous to put the Federal Government behind the business of making loans to farmers. Quite a number of States have been made poorer and sometimes wiser as a result of their experiences with State financed agricultural credit agencies, but the country as a whole has not had time to appreciate the problems that the Federal farm loan agencies are 'up against' when they try to pursue a policy of firmness in dealing with delinquent borrowers. Principles of sound banking, both in advancing funds to farmers or any other class of borrowers and in demanding payment when due, are essential to survival in the case of private banks. Violation of the rules brings retributions and the knowledge of this fact arms them against importunities. Such is not the case with agencies under Government control, which are subjected to constant political pressure, both when they grant loans and when they try to collect from borrowers. ...."

Farm Machinery Industry

An editorial in The Magazine of Wall Street for Jan. 15 says: "Agricultural implement companies made rapid strides in 1926, following the notable recovery of 1925. While the industry would seem to require no more favorable setting than it has had in these two years to make a very satisfactory showing during the next twelve months, it would be illogical to anticipate the same proportionate rate of improvement. In fact, there are elements in the existing situation which suggest that further gains will be more modest. Thus, with the decline in commodity price levels that featured 1926, farm products again moved out of alignment with industrial prices....."

Forest Reserves

An editorial in The New York Times for January 18 says: "Excessive pessimism is a trait common to many conservationists. At a recent meeting of forestry experts in London it was predicted that the world's supply of lumber would be exhausted in twenty-five years. Similar warnings have been repeatedly made. Despite their exaggeration they serve a useful purpose in that they help to bring home to the masses of mankind the fact that the supply of wood is not endless. This is a truth which we in the United States, even with the lesson before our eyes of millions of acres of forest land denuded in reckless fashion, find it difficult to realize..... In discussing the problem of a world shortage of timber, Messrs. Zon and Sparhawk, whose book, 'The Forest Resources of the World', is one of the most complete studies of this subject that has yet been published, point out that there are vast untapped resources in Siberia and in the tropical belts of the world. To market lumber from the former reserves is as yet economically unprofitable. The difficulties in the way of tropical lumbering are many, of which the greatest is the lack of suitably trained personnel. The great mixture of species, as well as the rank jungle undergrowth, also presents minor obstacles. 'The crux of the world's timber supply problem, during the next two or three generations at least, is the conifer forests,' say Messrs. Zon and Sparhawk. The present growth of coniferous timber is only about 80 per cent of the present cut. But the potential growth, if properly managed, is probably three times that amount. There is no reason why the existing area cannot be increased. There is, according to these two forestry experts, an increasing appreciation of the value and significance of coniferous forests in those countries possessing them which will undoubtedly help toward maintaining them....."

Government Salary Increases

William P. Helm, jr., analyzing a recent press statement to the effect that the Government was anticipating increased salaries for its administrative and scientific employees, in The Washington Post for January 18, says: "More money for the executives who direct Uncle Sam's affairs has been adopted as the Federal Government's policy during the coming fiscal year. Men to fill properly the jobs at from $5,000 to $10,000 a year are scarce, and the Government has difficulty in holding on to them once it has obtained their services..... Within its limitations the Government is preparing to make Federal employment more attractive to this class of workers. Further, it is committed to the policy of increasing the number of $5,000-and-more jobs as a study of the Budget Bureau's outline of Federal employment for the coming fiscal year, as compared with the past fiscal year of 1926, discloses. In addition, the Government is veering more to the scientific and professional employee and is attempting to make Federal service more attractive to men who can meet its requirements in that classification. At the top of the list of professional and scientific workers last year was a group of 32 employees who received from $7,500 to $10,000 apiece, the average being a trifle more than $8,000 a year. The newer governmental policy is demonstrated by the program for the coming fiscal year which contemplates increasing the number of these highly paid jobs from 32 to 33 and increasing the average salary from $3,000 to more than $9,100 a year. Just below this group were 523 workers who received from $5,000 to $7,000 each last year, their average salary being $5,500. Scores of employees with incomes near the $5,000 average left the

Government service for private employment during the year. The record shows that there were 448 jobs in the scientific and professional service that paid from $5,200 to $6,000 in 1926 and that resignations were more frequent in that group than in either the higher or lower salaried classifications. Next year the number of such places will be increased to 518, or by 70, a figure which means that for every six employees at that salary in 1926 there will be seven during the fiscal year beginning July next. The average salary also will be raised somewhat for this group, from $5,398 to $5,406...Considering all the foregoing groups, the Government's force of scientific and professional workers will be increased from 2,715 in 1926 to 3,404 during the fiscal year beginning July 1 next....."

Section 3
MARKET QUOTATIONS

Farm Products

Jan. 19: Maine sacked Green Mountain potatoes closed at $2.75 to $3 per 100 pounds in eastern markets; bulk stock $2.15 to $2.20 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25 to $2.40 carlot sales in Chicago; $1.95 to $2.10 f.o.b. Waupaca. New York Danish type cabbage $2 to $5 lower at $20 to $25 bulk per ton in eastern markets; $16 to $17 f.o.b. Rochester. Onions 30¢ to 35¢ higher in Chicago; nearly steady elsewhere. Midwestern yellow varieties ranged $2.75 to $3.25 sacked per 100 pounds in consuming centers. New York Rhode Island Greening apples sold at $3.25 to $4.50 per barrel. Eastern Yorks $2 to $2.75.

Chicago hog prices closed at $12.30 for the top. Better grades of beef steers and butcher cows were steady to 25¢ higher while lower grades of steers and heifers were weak to 25¢ lower. Vealers advanced $1.25 to $1.50 and stocker and feeder steers 25 to 50¢ while heavy calves were unchanged at last week's prices. Fat lambs are steady, yearling wethers weak to slightly lower, fat ewes 25¢ higher and feeding lambs weak, compared with a week ago.

Closing prices on 92 score butter: New York 47 1/2¢; Chicago 47 1/2¢; Philadelphia 48¢; Boston 48 1/2¢.

Grain prices quoted Jan. 19: No.1 dark northern Minneapolis $1.41 to $1.46. No.2 red winter Chicago $1.37; St.Louis $1.38; Kansas City $1.34. No.3 red winter Chicago $1.35. No.2 hard winter Chicago $1.45. No.3 yellow corn Chicago 71¢; Minneapolis 77¢; St.Louis 79¢; Kansas City 75¢. No.3 white corn St.Louis 74¢; Kansas City 73¢. No.3 white oats Chicago 51¢; Minneapolis 46¢; St.Louis 47¢; Kansas City 47¢.

Average price of Middling spot cotton in 8 designated markets (holiday in 2 markets) declined 4 points, closing at 12.95¢ per lb. January future contracts on the New York Cotton Exchange declined 7 points, closing at 13.31¢ and on the New Orleans Cotton Exchange they declined 5 points, closing at 13.35¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 19,	Jan. 18,	Jan. 19, 1926
20 Industrials	155.53	154.11	153.81
20 R.R. stocks	122.53	122.18	108.93

(Wall St. Jour., Jan. 20.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 17 Section 1 January 21, 1927.

STOCKYARD BILL HALTED

The press to-day says: "After the charge had been made that 'forged propaganda' had been circulated among the members favoring the Capper-Tincher bill to regulate private stockyards, the House agriculture committee yesterday postponed a vote on the measure. The propaganda charge was made by Representative Williams, of Illinois, and Representative Tincher, of Kansas, co-author of the bill, asked that the vote go over so that the committee could investigate."

MUSCLE SHOALS

The Associated Press to-day reports: "Congress opened its doors yesterday to another discussion over what to do with the Government's properties at Muscle Shoals, Ala. The question, dormant since last session, came to life simultaneously at the House and the White House, being started by the House military committee voting to start hearings next Tuesday on bids for the properties. While the committee was taking this action President Coolidge received a group of American Farm Bureau representatives who asked his support for a new bid to be submitted shortly by the American Cynamid Company, of New York. This proposal was represented as a more liberal offer than the one now before Congress, rejected last winter by a majority of the special Congressional Muscle Shoals Commission. Meanwhile, the House turned down on a point of order a move by Representative Allgood, of Alabama, to amend the army appropriation bill to provide for Government operation of the Shoals properties. Although rejected instantaneously, the proposal proved a vehicle for extended debate during which Representative Snell, of New York, said that unless an acceptable bid should be received shortly he would urge Government operation in this case, although opposed in general to the practice. It also developed that Chairman Madden of the House appropriations committee virtually has completed drafting a bill to carry out the new offer of the Cynamid Company and proposed to introduce it the first of the week....The Farm Bureau group that called at the White House said the new Cynamid offer was indorsed by leading national farm organizations. The House committee, in voting to open hearings, stipulated that it would consider only such offers as would provide for peace-time fertilizer production and war-time manufacture of nitrates."

MILK LEGISLATION

An appeal was made yesterday to the Senate agricultural committee to reopen hearings on the Lenroot-Taber bill, which would prohibit importations of milk and cream except under permits granted foreign producers complying with certain standards. (Press, Jan. 21.)

COOPERATIVE PRIVILEGES ASKED

The Tincher bill, requiring boards of trade to extend trading privileges to all farmers' cooperative organizations, was recommended for passage yesterday by the House agricultural committee, according to the press to-day.

Section 2

British Agriculture

An editorial in Country Life (London) for January 8 says: "If we exclude the post-war period of falling values, there has, probably, been no season since 1893 that has proved so generally disastrous to farming as 1926. Corn growers have suffered grievous disappointment. Throughout the summer they watched what were, seemingly, five-quarter or six-quarter wheat crops come to maturity and to the rick in excellent order, only to find that the threshing machine yielded them but two or three quarters, and this in spite of 1½ tons or even 2 tons of straw per acre. Barley and oats, and even beans, peas, mustard and root seeds have yielded almost as badly....The sheep-farmer has had equal misfortunes to face, for the end of the year found an all-round reduction in values of about 1 pound per head. Those who produce beef, either on grass or in the yard, have met an even worse market, which has reacted also on the dairy farmer in the disposal of his surplus stock. The milk producers, too, are now called upon, at the bidding of the distributors, to face a reduction in price which amounts to something like 3 pounds per cow--a crippling blow to this important branch of the industry, with no corresponding gain to the consumer. Pigs and poultry have, perhaps, suffered least, but their influence is at present not very great in the prosperity of agriculture as a whole. It is thus clear that the troubles of 1926 have fallen upon us simultaneously from two distinct directions. The season in our own country has not allowed us to obtain satisfactory yields from our crops, and the ruling world conditions have not allowed us to obtain remunerative prices for most of our produce....But as regards the general tendency of world prices and world conditions, this, our second trouble, is the one which we must face and examine. The blunt fact is, of course, that for most of our produce we are not receiving a price sufficient to cover the cost of production. We have little control over the price: we can, therefore, attack only the cost of production. What an easy and simple exhortation for any preacher--lower your cost of production. What an impossible one it sounds for most of us to follow. Research, education, cooperation, reduction of labor, organized selling, elimination of the middleman, better marketing--we have heard sermons on all these, your farmer will say, but they have not seemed to help us much on the farm... We ask for deliberate efforts by the whole agricultural community towards a new kind of cooperation--cooperation between the producer and the middleman. It is fashionable to shower abuse upon middlemen. Yet, the best of them perform valuable services at a reasonable cost--services of distribution, credit, marketing and risk-taking. With direct cooperation between them and their suppliers, especially in the direction of quality standardization and regularity of supplies, these costs could be very greatly reduced."

Building Halt Urged

In a long statement published in The New York Times of January 20, S.W.Straus, president of Straus & Co., bankers, declared that the saturation point in building construction had been reached and that New York and other large cities of the United States were in grave danger of being overbuilt. Straus & Co. formally advised that no more new office buildings, hotels, apartment houses and apartment hotels be started for a period of six months to a year.

Cooperative Marketing

Closing an editorial review of the department's recently published summary of the growth of the cooperative movement, The New York Times for January 20 says: "One of the most thorough students of rural conditions in New York, Professor James Mickel Williams of Hobart College, has brought out in two volumes, 'Our Rural Heritage' and 'The Expansion of Rural Life,' the physical and psychological causes of the farmer's intense individualism and the manner in which that old spirit has been slowly changing. Individualism, he points out, remains to-day the greatest obstacle to the progress of the cooperative movement. The old suspicion that a neighbor or a dealer will 'get the better' of the farmer has made him go slowly. The farmer has always been more interested in production than in marketing. He is only beginning to understand that cooperative marketing has advantages over the old haphazard system, and that his entire farm business must be managed with an eye on market prices. The trend is clear and the movement faster than had been believed possible ten years ago. But the true significance of cooperation is still to be realized by the community at large as well as by the farmers. It is a new force in American economic and political life, implying the ultimate organization of farmers into effective groups."

Cotton Tenant Farming

An editorial in Manufacturers Record for January 20 says: "In studying the question of reduction of cotton acreage there is one factor which has not been given full consideration. It is this: There are many large landowners living in the towns and cities of the South who have no other way of utilizing their land than of putting it into cotton. They are not prepared to handle diversified farm products. They know nothing about any farm products except cotton. Whatever return they get in the shape of cotton is that much paid as a matter of rent for their land. If the land goes uncultivated, it is to them a dead asset, yielding no revenue. Bankers and town men generally throughout the entire South own in the aggregate millions of acres of land--cultivated on the share system, the tenant paying as rent a proportion of the crop produced. They can not put this land into corn or wheat or vegetables or hogs....It would be in the power of landowners of this kind to reduce the acreage in cotton. But will they do it? Will they let their land lie fallow merely because there is a demand for reduced acreage in order to secure higher prices? The tenant farmer may not get enough out of his crop to pay the cost of production, but the landowner at least, in every pound of cotton he receives, gets some rate of interest on his investment in land....If a man has a thousand acres of cotton land, with tenants enough to cultivate it, it is hardly feasible to say to him that he must reduce that acreage and let much of his land bring in no returns whatever, unless he was absolutely certain that every other landowner would reduce his acreage and thus a smaller crop would bring him a larger return, offsetting the idle land...."

Farm Values

An editorial in The Price Current-Grain Reporter for Jan. 5 says: "In a report made public last week by the Bureau of Agricultural Economics of the Department of Agriculture, it is stated farm real estate values average about 30 per cent lower on March 1, 1926, than on March 1, 1920. Without attempting to make any analysis, some of the newspapers, some of the other publications and some of the politicians are quoting the figures as another indication of this country's decline in agriculture. When it is recalled, however, that

the 1920 prices were those when land values were at their peak, due to the war boom, the significance of the drop loses all of its force. With the price of wheat as high as $3.50, the price of corn as high as $2.17, the price of oats as high as 90 cents, cattle $16.85, hogs $20.90, sheep $15.10, and other agricultural prices in proportion, it was, of course, only natural that farm land prices should 'skyrocket.' One of our big troubles during the intervening years, as every one knows, has been due to the fact that many farmers and rural bankers did not see that such prices could not last. The shrinkage was bound to come."

Section 3

Department of Agriculture

1 An editorial in The Western Breeders Journal for January 6 says: "Some time ago we had a little controversy with B.F.Yoakum, whose farm relief proposal is one of the soundest among those now engaging the attention of Congress. The controversy related to freight rates, it being Mr. Yoakum's contention that transportation charges were of no great consequence so far as the producer was concerned. Here is what Secretary of Agriculture Jardine says in his recent annual report: 'Transportation charges, although not overhead in the proper sense of the term, nevertheless are often a budensome, uncontrollable factor in farm business. Farm commodity prices, especially in areas distant from markets, are seriously depressed by high freight rates. It is my conviction, often stated, that we must have substantial readjustments in freight rates.' It appeared to us that Mr. Yoakum, who at one time was a prominent railroad official, was so intent upon the plan of relief that he had worked out as to find it difficult to realize the importance of anything outside of it. Obviously, Secretary Jardine is right. Freight rates constitute another rather large item that several classes of producers can not pass on to the ultimate consumer, as does the manufacturer."

2 G. M. Randall, director of the agricultural bureau of the Daytona Beach, Fla., chamber of commerce, in a lengthy statement in Manufacturers Record for January 20, says: "The United States Department of Agriculture is without doubt the most important department of our Federal system. It has a larger personnel of employees, direct and indirect, than any other two departments combined, not omitting the Army and Navy. It deals very efficiently with the most important industry of the civilized world. The statistics and data published in bound volumes, in pamphlets, bulletins and released for publication in newspapers, are more widely read, because of their general interest and source, than any other publications of any department of our Government. As an example of the industry it deals with, we are told in the Agricultural Year Book for the year 1924-25 that the agricultural products of the United States for 1924 were over $12,000,000,000. By a careful perusal of all the Year Books of the department for the past 20 years, which the writer has at hand, almost no allusion to Florida is found. Crop data are omitted. Meteorological data are omitted. Articles on methods of procedure in various agricultural operations are omitted. We are not jealous of any State or section because they are given space and publicity; the more the better, but we do honestly and modestly feel that we are neglected. Florida has more than twice the arable land the splendid State of California has, and we are not given one-fourth the space and consideration that California gets. We are not

jealous of Georgia, that wonderful southern empire State, with its endless potentialities in diversified farming. We would not expunge one page or line of information and advice concerning any of the States but what we do want is more advice and public information in agricultural matters that specifically relate to Florida...."

Section 4

MARKET QUOTATIONS

Farm Products Jan. 20: Potatoes ranged 5¢ to 15¢ lower. Maine sacked Green Mountains closed at $2.75 to $3 per 100 pounds in eastern cities; bulk stock mostly $2.15 f.o.b. Presque Isle. Apple markets dull--prices fairly steady. New York and Michigan Baldwins sold at $3.25 to $4 per barrel in city markets. Michigan Jonathans $5 to $5.50 in Chicago. Midwestern yellow onions advanced 50¢ to 60¢ in Chicago to $3.25 to $3.50 sacked per 100 pounds. New York Danish type cabbage sold $3 to $5 lower at $20 to $28 bulk per ton in terminal markets; $15 to $17 f.o.b. Rochester. Florida pointed type cabbage $2 to $2.50 per 1 1/2 bushel hamper.

Chicago hog prices closed at $12.15 for the top. Better grades of beef steers are steady to 25¢ higher with lower grades and all grades of heifers weak to 25¢ lower. Cows advanced 10 to 25¢. Vealers show gains of $1.50 to $2, heavy calves are unchanged and stocker and feeder steers are 25 to 50¢ higher. Fat lambs and yearling wethers lost slightly while fat ewes gained 25¢ and feeding lambs 10¢ compared with a week ago.

Closing prices on 92 score butter: New York 47 1/2¢; Chicago 47 1/4¢; Philadelphia 48¢; Boston 48 1/2¢.

Grain prices quoted January 20: No.1 dark northern Minneapolis $1.41 to $1.46. No.2 red winter St.Louis $1.38; Kansas City $1.34; Chicago $1.38. No.2 hard winter Kansas City $1.38. Chicago $1.35. No.3 yellow corn Kansas City 73¢; Chicago 73¢. No.3 white oats St.Louis 46¢; Minneapolis 46¢; Chicago 48¢; Kansas City 47¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 3 points, closing at 12.98¢ per lb. January future contracts on the New York Cotton Exchange declined 2 points, closing at 13.29¢ and on the New Orleans Cotton Exchange they declined 1 point, closing at 13.34¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 20,	Jan. 19,	Jan. 20, 1926
20 Industrials	155.16	155.53	155.04
20 R.R. stocks	122.51	122.53	109.22

(Wall St. Jour., Jan. 21.)

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DAILY DIGEST

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Vol. XXIV, No. 18 Section 1 January 22, 1927.

ARBORETUM BILL The press to-day states that action on the national arboretum bill as it passed the Senate is a special order of business for the House committee on agriculture next Monday. It is considered certain that the Senate bill will be amended in committee to conform with the measure as favorably reported to the House in the last session of Congress. This would reduce from $500,000 to $300,000 the amount authorized to be paid for land to be acquired for a national arboretum in the District of Columbia under administration of the Department of Agriculture. It is proposed, also, to strike from this bill the recreational feature, so as not to interfere with the scientific outdoor laboratories to be established by the Department of Agriculture.

GAME LEGISLATION The press to-day reports that the Senate agricultural committee, considering Copeland bill to reduce bag limits of hunters of game birds, yesterday heard distinguished naturalists, sportsmen and representatives of protective organizations in its support, all of whom agreed that game birds, especially ducks, are threatened with extinction by use of highly developed guns, "pot hunters" and lack of protection laws.

IN CONGRESS YESTERDAY A bill was introduced yesterday by Senator Copeland, of New York, designed to repeal the Federal Water Power Act, and provide for the improvement of waterways and the development of water power, according to the press to-day.

Representative Aswell, of Louisiana, declared in the House yesterday that the McNary-Haugen bill, designed to deal with agricultural surpluses, failed to reach the problem of overproduction, which, he said, is the problem before farmers, according to to-day's press.

The press states that the House will attempt to-day to determine what disposition it will make of the McFadden branch banking bill, now deadlocked in conference.

The press to-day reports that Chairman Madden, of the House appropriations committee, said yesterday a bill to carry out a new offer of the American Cyanamid Company for the Muscle Shoals properties will be introduced Monday.

The President yesterday signed the rivers and harbors authorization bill, according to the press to-day.

The press to-day reports that conferees on the radio bill have agreed to embody as part of the new law the temporary statute under which the Navy radio transmits American news reports to Hawaii and the Philippines. Newspapers in the outlying Pacific possessions now can obtain news from American sources under the temporary law, which would expire in July. The provision which would divert the business to private companies, whenever they are equipped to handle it, will be retained.

Section 2

Banking Legislation

Alleging that "many are being misled by misstatements" attributed to the Committee of One Hundred, a group of the most active advocates of the Hull amendments to the anti-branch banking features of the McFadden banking bill now before Congress, "which misstatements tend to reflect on the good faith of those administering the association's affairs," the American Bankers Association issued at New York, January 20 "a correction of the most misleading and erroneous statements coming to its attention," prepared under the auspices of Edmund S. Wolfe, Chairman Federal Legislative Committee of the Association and approved by Melvin A. Traylor, its president. The statement entitled "Facts versus Misstatements re the McFadden Bill," shows that the bill without the Hull amendments as indorsed by the association at its Los Angeles Convention "will check future growth of State-wide branch banking" whereas "those who advocate the Hull amendments are playing directly into the hands of those interested in the spread of branch banking."

Brazilian Fruit Tax

Exemption from Brazilian duties that has been accorded for several years past to fresh fruits from the United States and Argentina has been discontinued, effective January 1, according to a cablegram received by the Department of Commerce. This exemption was first granted by Brazil to Argentina and was extended to the United States by the most favored nation agreement of October 18, 1923. The exemption had been conceded annually for several years. (Press, Jan. 21.)

Canadian Egg Duty

The press of January 21 reports that new valuations on imported eggs have been established for duty purposes by the Canadian Minister of Customs. Applying to importations shipped from places of export after January 10, a valuation of 45 cents per dozen is assessed when imported direct from production markets or originating territory, and 48 cents per dozen when imported from intermediate distributing or border points. The specific duty of 3 cents per dozen on eggs from the United States remains in force, and if the invoice value of shipments is more than 5 per cent lower than the established valuation, such shipments are subject to dumping duty on the difference between the invoice and the duty valuation.

Cotton Financing

An editorial entitled "A Flash in the Pan" in The Journal of Commerce for January 19 says: "According to what seems to be reliable information from Washington, cotton interests are not taking advantage to any considerable extent of the new and special means of financing which the Government brought into existence in its effort to relieve the 'cotton crisis' of last autumn. Various reasons are assigned, but the most important is that the cotton farmer was already very fully financed and was able to get all the 'aid' or 'accommodation' he wanted from his bank provided that he was willing to leave a reasonable margin of value. More than this no emergency financing could do unless those who operated it were willing to advance money without security. It has been supposed that the emergency financing would result in withdrawing cotton and so in boosting its price. There is no indication of anything of the sort. Prices of cotton have shown but little influence of the kind in any direction. The cotton planter needs his money, and in most cases needs it promptly. He is not in good condition to speculate, and it is well for himself that he is not. So it would seem likely that the emergency financing of the Government will

prove to have been little more than a flash in the pan...."

Price Fixing An editorial in The Wall Street Journal for January 20 says: "Senator Shipstead, the sole representative of an extinct party, has improved with experience. Nevertheless, he establishes a record for what may be called the Congressional session's worst argument. He wants price-fixing for farm products. He says that such 'necessities of life' as 'telephone and telegraph service, gas and electric lights and street railway service,' 'enjoy the blessings and protections of a price-fixing law enacted by the various States of the Nation.' They also enjoy the blessings and protections of a State-created monopoly. The price of their service is fixed to protect the consumer. The law under which their charters are granted fixes not how much but how little they shall receive. So far as the farmer is concerned, the conditions are completely reversed. He is producing in competition with the whole world. Price-fixing would say not how little but how much he should receive, and it could not do so by buying his surplus from him at a high price and selling it at a loss in the world's open market. It is a relatively minor matter that the consumer would receive no consideration or protection whatever. The point is that price-fixing would encourage the very overproduction which it pretends to remedy. Unless the price were a profitable one the farmer's friends in Congress would not even attempt to pass the McNary-Haugen bill....With a price fixed, the farmer would produce not the crop which was most needed, but the one which was least trouble. The enormous figure proposed ($350,000,000) represents only the initial loss of the taxpayer under any such scheme....Congress itself has not the power to dictate to a farmer what he shall plant. That is a matter of State jurisdiction, and anything like unanimity among the States on such a point is not even thinkable. They would compete against each other, and the last state of the farmer would be worse than the first. There is not even a good reason in our protective tariff, although it is claimed that the farmer should receive an equivalent subsidy. Suppose the country instituted free trade for its foreign imports? The farmer would be the first to suffer, for the tariff adds surprisingly little to his cost of living. If Mr. Shipstead knew anything about the history of the matter, he would study what happened to the British farmers three-quarters of a century ago when a subsidy called the Corn Law was abolished. It was the industrialists who got all the benefit in cheaper food and lower wages. Mr. Shipstead's illustration is the complete opposite of what he supposes."

Rail Merger An Associated Press dispatch from New York Jan. 21 states that encouraging progress in the plans for the huge Northwest railroad merger was reported January 20 in a joint statement by President Charles Donnelly, of the Northern Pacific, and Ralph Budd, of the Great Northern. While few details were revealed, it was stated that directors of both roads were agreed that an exchange of stock of either company for that of the new operating company must be on equal share-for-share basis.

Wisconsin Soil Improvement An editorial in The Wisconsin Farmer for January 13 says: "The Wisconsin Soil Improvement Association has launched its program dedicated to knowledge of individual soil needs on farms and remedial measures designed to correct deficient lands....To a greater or a less

degree Wisconsin farmers on land utilized by three-quarters of a century for continuous cropping (in the older sections) must pay ten times as much tax as their grandfathers and must spend 20 times as much for comforts, conveniences and education. Our Wisconsin soil problem arises from the question of getting concrete highways, better schools, modern homes, more convenient barns, more complex equipment and motor cars out of the same soil that in its virgin state produced only the rude log hut, the corduroy road in the clearings, the ox cart and the flail. Whereas we hear much collective criticism of greater production on our farms, we seldom find a single individual who refuses to take the opportunity to increase his own yields. The problem is not one of reducing production or of allowing lands to grow stale and worn out; but it is one involving sensible cooperative marketing principles or personal initiative in marketing, plus the production of as much, if not more, agricultural goods to satisfy the growing ranks of nonproducers...."

Women Cooperative Managers

The press of January 20 states that a cooperative marketing organization directed by women, all wives of farmers, is operating successfully in Western Canada. The Saskatchewan Egg and Poultry Pool has only one man on the board of directors. The president of the pool, Mrs. Bertha Holmes, of Asquith, Sask., is credited with being the guiding genius behind this latest unit in a chain of similar organizations in Canada, the principal of which is the Canadian Wheat Pool. The Saskatchewan Egg and Poultry Pool was organized because the farmers' wives regarded the system of individual selling as inefficient, and under it the full measure of profits was not going to the producer.

Wool Market

The Commercial Bulletin (Boston) to-day says: "There is a better tone in the eastern wool markets. Business has been moving along in a somewhat moderate manner, but a fair volume of business is reported, nevertheless, and at fully firm prices. On the whole there is a disposition in the trade to mark up values somewhat. In the West, contracting has taken some 3,000,000 pounds in Texas, according to latest reports, at as high as 36 cents, and some wool in Montana at 35 cents. The movement is not general as yet."

A London dispatch to the press of January 21 states that at the wool sales held there on January 20 10,273 bales were offered, of which a good proportion was sold. There was a full attendance and strong competition for fine wools at firm rates. Medium and low kinds were irregular, the firm limits resulting in frequent withdrawals.

Section 3

Department of Agriculture: 1

In an editorial on Dan Casement's report on cattle on Government ranges, Wallaces' Farmer for January 14 says:"...While this whole matter is of very little importance to Corn Belt farmers, it would seem that they would agree with Mr. Casement that western cattle men should pay a fair price to the Government for the use of the forest range. To some extent their cattle come in competition with the cattle raised on expensive private land of the Corn Belt. On that account, we of the Corn Belt should have some interest in seeing Mr. Casement's views on this matter prevail."

Department of Agriculture 2

In an editorial on Farmers' Bulletin No. 1450 on Home Baking, The Millers' Review for January says: "The Piedmont Millers' Association thinks highly of this bulletin as an aid to soft wheat millers in acquainting housewives with information on how to make bread from soft wheat flour....."

Section 4
MARKET QUOTATIONS

Farm Products

Jan. 21: Maine sacked Green Mountain potatoes declined 5¢ to 15¢ in eastern cities to a closing range of $2.65 to $3 per 100 pounds; bulk stock sold at $2.05 to $2.10 f.o.b. Presque Isle. Eastern yellow varieties of sweet potatoes ranged $1 to $1.75 per bushel hamper. Tennessee Nancy Halls $1.25 to $1.40 in the Middle West. New York Danish type cabbage sold irregularly lower at a general range of $15 to $28 bulk per ton in terminal markets; $15 to $16 f.o.b. Rochester. New York Baldwin apples fairly steady at $3 to $4 per barrel; Greenings $3.25 to $4.50.

Chicago hog prices closed at $12.15 for the top, beef steers are generally 25¢ lower, better grades of heifers steady and lower grades 25¢ down, while cows are steady to 25¢ higher for the week. Vealers advanced 50¢ to $2, heavy calves are steady and stocker and feeder steers 25¢ to 50¢. Fat lambs are 25¢ lower on the better grades and 15¢ higher on lower grade kinds; yearling wethers are steady, fat ewes 25¢ higher and feeding lambs steady to 10¢ higher than a week ago.

Closing prices on 92 score butter: New York 47 1/2¢; Chicago 47¢; Philadelphia 48 1/2¢; Boston 48 1/2¢.

Grain prices quoted January 21: No.2 red winter Chicago $1.38; St.Louis $1.38. No.2 hard winter St.Louis $1.42; Kansas City $1.37. No.3 yellow corn Chicago 73¢; Kansas City 73¢. No.3 white oats Chicago 45¢; St.Louis 46¢; Kansas City 48¢.

Average price of Middling spot cotton in 10 designated markets declined 2 points, closing at 12.96¢ per lb. January future contracts on the New York Cotton Exchange unchanged at 13.29¢ and on the New Orleans Cotton Exchange they were up 1 point, closing at 13.35¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXIV, No.19 Section 1 January 24, 1927.

THE MCNARY-HAUGEN BILL The press of January 23 says: "The McNary-Haugen agricultural surplus control bill was favorably reported by the Senate committee on agriculture January 22. Senator McNary, chairman of the committee, will try to bring the bill up for debate in about ten days and a special rule will be asked for its consideration in the House about the same time....Cotton, wheat, corn, swine and rice are the basic commodities specifically provided for in the proposed relief, but there are also loan provisions aimed to assist producers of other farm commodities to organize for orderly marketing. Senator McNary said the bill provided a way for producers of the basic agricultural crops to adjust supply to demand to their best advantage. He said it was drawn to conform as nearly as possible to recommendations of the cooperative marketing associations. The administrative body to be set up by the bill, controlling a Federal revolving fund of $250,000,000, would be a Farm Board directed to promote stability and effective protection for agriculture....."

An Associated Press dispatch January 23 says: "Describing the new McNary-Haugen bill as 'more objectionable and certainly more unconstitutional' than its predecessor of last spring, a minority report signed by three members of the House agriculture committee was filed with the House January 22 seeking instead the enactment of the Curtis-Crisp bill. The latter measure was held up as 'a constitutional and constructive measure upon the only lines which our long examination of this question leads us to believe can prove successful.' The report was written by Representative Fort, Republican, New Jersey. Representatives Tincher, Republican, Kansas, and Pratt, Republican, New York, added their signatures. The two measures in controversy are unlike in several respects, but the most important of these is the equalization fee by which the McNary-Haugen bill would control crop surpluses. The Curtis-Crisp plan omits this feature. In addition to declaring the fee a tax and unconstitutional, the minority report said the bill containing it was a price-fixing measure; that it would upset all existing trade channels, kill cooperative marketing organizations and increase production if it actually succeeded in increasing prices."

THE RADIO BILL The Associated Press of January 23 reports: "Prospects for radio control legislation at this session of Congress brightened January 22 when Senate and House conferees tentatively agreed to a compromise designed to clear up admittedly chaotic conditions prevailing at present. The agreement probably will be put to a vote of the conferees Wednesday. Under the compromise, which for a year virtually would put into effect the control machinery proposed in the bill passed by the Senate and thereafter the program provided for in the House measure, would create a commission of five members to be appointed by the President. For one year the commission would have authority to grant, renew and revoke broadcasting licenses and to make regulations with the Secretary of Commerce having general administrative charge of the situation. After a year, the commission would retain its authority to grant new licenses and would pass on appeals from decisions of the Department of Commerce head. Appeals from its rulings might be taken to the courts. Broadcasting stations would be required to apply for licenses within 60 days of enactment of the bill setting up the new control plan...."

Section 2

Borah on Government in Business

The growing tendency of trying to find a legislative cure for all public and private ills is decried by Senator William E. Borah in an article, "The Cancer of too Much Government," appearing in the February number of Nation's Business Magazine. The ability of the American people for self-government, he says, is being undermined by the Government's increasing regulation of and interference with private and business life. Unless a halt is called, Senator Borah predicts that in the light of past experience it will be only a matter of comparatively short time before: "There will be an officer for every ten persons in the Republic. Every conceivable activity of mind and body will be under the direction and surveillance of a bureau. Inspectors and spies will leer upon the citizen from every street and corner and accompany him hourly in his daily avocation. Taxes will be a hundred dollars per capita. Forty per cent of the national income will be demanded for the public expenses...." Senator Borah declares that "the people must be taught that in encouraging the centralization of their affairs in Washington they are digging the grave of the American Government as it was conceived by the Constitution makers. They must learn that in looking to the National Capital to cure their ailments, they are weakening the fiber of true citizenship and destroying the self-reliant spirit of Americanism without which this Republic can not endure... We have before us a task worthy of the finest intellects. Our agricultural problem, our transportation question, the regulation of our great natural monopolies, coal and water-power, extravagant and corrupt tendencies of Government, State and National, the enforcement of law, the protection of human life and property, the bold attempts to debauch the electorate through the profligate use of money--all these cry out for our most serious attention....Can we not solve these problems without surrendering or destroying the great underlying principles of our Government? Is this new economic life incompatible with the principles of our Federal Constitution?....."

Cane Production

An editorial in Modern Farming for January 15 says: "Some criticism has been leveled at the Louisiana State experiment station for lagging behind commercial cane producers in advocating the planting of such new cane varieties as the P.O.J.234, and Cyana. These canes were ardently boosted two years ago by a large plantation which wanted very much to 'save the Louisiana cane industry'--and sell the means of salvation at a pretty stiff price. It happens that the canes are good, and now that they are being planted to some extent, many planters are asking, 'Why didn't our experiment station take the lead in getting the new canes to us?' However pertinent the question, criticism of the experiment station in this instance is unjust. A commercial organization has nothing to lose in boosting a product which it intends to sell but a scientific institution can deal in facts only, and it can not indulge in too great optimism on insufficient data. These State experiment stations must hew the line; they supply us with our fundamental facts, and the confidence in which they are held is due to their conservative and painstaking pronouncements. Quite often commercial scientists 'beat them to it,' or at least are able to give such an impression; but in research work 'he who laughs last, laughs longest.'..."

Compulsory Pooling

In an editorial on British Columbia's compulsory fruit pool marketing plan, Who is Who in the Grain Trade for January 20 says:"... The pooling movement among the farmers of Canada seems to be reaching its inevitable end which is compulsion by Government force and authority. Not being able to make any impression on the market by voluntary pooling the leaders of the movement are seeking the aid of the State and asking that the policeman's club be used to force everyone into the combine. In what material respect does this latest pooling project differ from the soviet selling scheme in Russia? The followers of Lenin and Trotsky have a 'New Economic Policy' too. They call it the 'NEP.' It is an advance over the original bolshevism introduced after the revolution but it is still far removed from that policy of individual initiative which made the United States the most prosperous Nation on earth. In Russia the Government controls everything, including the cooperatives. All the 'key' or basic industries are in the hands of the bureaucrats. No one may export or import without Government charter. 'Central selling agencies,' controlled by the Government, are everywhere. Isn't this just what the Province of British Columbia is copying? They would use the provincial power to force every fruit grower into the pool and take away from him his right as an independent citizen to dispose as he wished of the products of his fruit farm! A law would be passed giving some 'Central Selling Agency' the control over his fruit. Russia has seen nothing worse than that since the 'NEP' policy of Lenin was introduced...."

Farmer and Banker in Michigan

An editorial in The Michigan Farmer for January 15 says: "The financial side of the farming business has almost always been a handicap, because the farmer has not been able to get financial accommodations as easily and as favorably as those in other lines of endeavor. But gradually the banker and the farmer are trying to understand each other better and this should result in more favorable relations in the future. One of the steps in advance in this respect is the action taken by the Michigan Bankers' Association. In each county the agricultural committee of the association will appoint a county key banker to keep in touch with the agricultural conditions of his county, especially with reference to the relations between bankers and the farmers. This arrangement will furnish the bankers more 'at-hand' information than they have been able to obtain before, and with this they will have a better understanding of the farmer and his financial requirements. This should stimulate a business friendship between the farmer and the banker which should prove mutually beneficial."

Oil Industry and Motors

An editorial in The Wall Street Journal for January 20 says: "....In 1926 the oil industry produced over 300,000,000 barrels of motor fuel. Who used it? Surely, Wall Street did not consume all that gasoline? As there are over 20,000,000 automobile registrations in the country, somebody, aside from the oil producers, must have used a generous proportion. It may be that even that senatorial hater of oil used some of the gasoline himself. At the end of 1926 there were 4,850,000 farm-owned automobiles registered. There are a great many farmers who, in addition to the automobiles, are using tractors which, for the most part, are propelled by gasoline. Even if a farmer uses horses to draw his combine through the grain fields, it has perched on top of it somewhere a small gasoline motor to help propel the machinery. Here are some of the people who care for oil. Then, too,

there are the motor trucks that annihilate distance and bring the far much nearer to the markets. Not alone the farmer but the merchant an the general consumer of goods of all kinds are receiving great benefi from the trucks. If the truth were known, it is probable that every person in this country, either directly or indirectly, receives some benefit from the motor truck. Motor vehicles form a big factor in ou life, both in the city and country. The more that factor is studied, the larger it looks."

Poultry in La. and Miss.

Modern Farming for January 15 reports that Dean W.R.Dodson of the Louisiana State University states that the chicken and egg crop of 1926 will be worth more to Louisiana than the sugar cane crop. In Mississippi the number of commercial and cooperative hatcheries has increased from three in 1922, to 30 at the close of 1926. The combin capacity of these plants is 850,000 eggs.

Tobacco Payments

A Lexington, Ky., dispatch to the press of January 20 states that checks for $6,120,498.48 were mailed January 19 by the Burley Tobacco Growers' Cooperative Associations to those of its 109,000 members in Kentucky, Ohio, Indiana, West Virginia, Missouri, Tennesse and Virginia who delivered to the association their 1925 tobacco crop The checks are for a sum equal to 50 per cent of the amount advanced to the growers when they delivered their crops in the winter of 1925. The second payment on the 1925 crop raises the total paid on the tobacco delivered by the growers to the association in five years to $151,032,896.73.

Truth-in-Fabric Bill

An editorial in The Journal of Commerce for January 20 says: "Senator Capper is entitled to sincere thanks for withdrawing his 'pure fabric' bill. The measure has been on the list of deferred bill which had been selected for action prior to the coming adjournment. A day or two ago, however, a roll call in the Senate showed a strong disinclination to have the measure even taken up for discussion. Senators from the textile States pointed out the fact that the bill is wholly distasteful to manufacturers and that really it intended 'to promote the wool growing business through special legislation.' Senator Capper was thus forced finally to withdraw his bill temporarily and the question remains whether he will be able to get it up before the end of the session....This puts the whole scheme over to another session of Congress and at least gives a temporary respite to the textile community. The members of that community have had a great deal to contend with in recent years. It seems unfortunate to subject them to this kind of needless persecution. The pretense that the measure has some quality of benefit to the consumer never had many followers and was long since open to discredit."

Waterways

An editorial in The Southern Agriculturist for January 15 says: "The Great Lakes and St.Lawrence waterway project should by all means be carried out. There can be no question that an all-water outlet to the ocean would be of real and enduring benefit to the farmers of the North and Middle West. So should the development of the Mississippi River into a real waterway be continued. A nine-foot channel to St.Louis, a six-foot channel from there to Minneapolis and St.Paul, a real canal to connect with the Great Lakes at Chicago--all these or

whatever traffic may demand will be worth many times whatever they may cost if only this water system can be so coordinated with the railways as to make it a real factor in transportation and in the making of freight rates....Water transportation is the cheapest of all transportation; but as things now are in this country it is but a waste to spend money developing waterways without at the same time making it possible for them to get part of the freight now carried by rail.....No one profits more by reduced transportation costs than does the farmer, and he should heartily favor every expenditure for waterway development that means the actual putting of some river or canal to work as a carrier of freight."

Section 3

MARKET QUOTATIONS

Farm Products For the week ended Jan. 22: Livestock quotations at Chicago on the hog market aregenerally steady. Compared with a week ago strictly choice steers 25 to 40 higher, others 50¢ lower; heifers 25 to 50¢ lower and cows about steady. Stocker and feeder steers fully steady, vealers steady to 50¢ higher; heavy calves steady. Fat lambs 25 to 50¢ lower; yearling wethers about steady, fat ewes 35 to 50¢ higher and feeding lambs strong to 25¢ up for the week. New York wholesale fresh meat markets, western dressed, good grade meats, weak to 50¢ lower on steer beef, steady to $1 higher on veal, steady on lamb and mutton, $1 to $2 lower on light pork loins and $2 to $2.50 lower on heavy loins compared with a week ago.

Potato prices slant downward. Maine sacked Green Mountains closed at $2.65-$3 per 100 pounds in eastern markets; bulk stock $1.90-$2 f.o.b. Presque Isle. Midwestern yellow onions advanced 50¢ in Chicago to a range of $3.25-$3.50 sacked per 100 pounds and held firm elsewhere at $2.50-$3.15 to jobbers and $2.50-$2.75 f.o.b. New York. Danish type cabbage irregularly lower at $15-$28 bulk per ton in terminal markets and $15-$16 f.o.b. Rochester. Florida pointed type firm at $2.25-$2.50 per 1½ bushel hamper in eastern cities. Apples firm. New York Rhode Island Greenings sold at $3.50-$4.50 per barrel in leading markets.

Average price of Middling spot cotton in 10 designated markets advanced 17 points during the week, closing at 13.01¢ per lb. January future contracts on the New York Cotton Exchange advanced 8 points, closing at 13.32¢, and on the New Orleans Cotton Exchange they advanced 7 points, closing at 13.37¢.

Hay markets about steady for top grades. Lower grades dull at slight reductions. Supply generally equals demand. Shipping inquiry active. Movement delayed by bad roads and unfavorable weather.

Feed markets again higher for week. Cold weather over a wide area causing heavier consumption. Wheatfeeds showing moderate advance with markets especially strong in the Northwest. Cottonseed meal sharply higher but consuming demand light at present levels. Linseed meal higher with other feeds, particularly cottonseed meal. Gluten feed also higher but hominy feed averaging steady. Alfalfa meal practically unchanged.

Butter markets weakened during the week and prices declined 2-3¢ with supplies heavy for the light buying demand. Production shows signs of increasing but is below last year. With storage reserves lighter than a year ago the fundamental market position is firm.

Cheese markets developed unexpected weakness and January 21 declined about 1¢. Trade was quiet both at the terminal markets and primary points. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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HOUSTON ON BUSINESS EXPANSION American industry and business are on the verge of a great expansion, former Secretary of Agriculture Houston declared at Chicago yesterday, according to an Associated Press dispatch to-day. "The great banks, mills and commercial foundations operated to-day by captains of industry are only pygmies compared with those that will exist 75 years hence," he said. He pointed out that though the United States has only 6 per cent of the world's population, it possesses a large share of many resources and industries. "The American Government is better than ever before in history," he said, "and it is necessary for Americans to keep it so." European nations are committing "economic suicide," in Mr. Houston's opinion, by their antagonistic policies in dealing with one another.

ARBORETUM BILL The Senate bill authorizing the erection of a national arboretum in Washington was ordered favorably reported, in amended form, by the House agricultural committee yesterday. The committ split 8 to 5 on the bill, which would seem to make its passage in the House doubtful. As amended, the recreational and park provisions of the bill as passed by the Senate, were stricken out. This reduced the authorized appropriation from $500,000, as passed by the Senate, to $300,000. (Press, Jan. 25.)

MUSCLE SHOALS BID The press to-day reports: "On the eve of hearings by the House military committee on bids for Muscle Shoals, Congress yesterday received a bill embodying a new offer by the American Cyanamid Co., of New York. The measure, sponsored by Representative Madden, would provide for a 50-year lease of the properties to the Air Nitrates Corporation, a subsidiary to be created by the Cyanamid Co. Four per cent interest on the Government's expenditures since May 31, 1922, would be paid, and it is estimated that this would amortize, if continued 100 years, its entire investment... Fertilizer production would be the prime function of the corporation, with provisions for Government manufacture of nitrates in time of war....."

BANKING BILL The House yesterday rejected the Hull amendment to the McFadden branch banking bill, 228 to 166, adopted minor amendments and sent the measure back to the Senate, according to the press to-day.

CATTLE INSPECTORS ACCUSED A Buffalo, N.Y., dispatch to the press to-day says: "Governor Smith has been asked by former Sheriff James Smith of Erie County, a cattle dealer at the East Buffalo stockyards, to investigate alleged irregularities in the handling by State officials of tubercular cattle. Mr.Smith charges excessive appraisal of such cattle,gross waste of public funds, failure to reappraise condemned cattle found not to be tubercular at post-mortem examinations and sold for food, and the subversion of State laws designed to protect the public from disease....."

Section 2 Kansas City Star for Jan.19.

Agricultural Education In an editorial entitled "Rural Education" says: "....The agricultural colleges and experiment stations are the sources of new information affecting the business of farming. Adequate funds should be provided for instruction and extension work. It is of even greater importance that research work should be well sustained. The production of crops and animals meets with new hazards each year. The invasion of the European corn borer is the latest. In the end success or failure in meeting such hazards will depend upon the application of the results secured in technical laboratories. With a well developed system of rural education based upon adequate information, the result of scientific research, the future of agriculture will be assured. Farmers developed under such conditions would be wholly capable of solving the problems of production, transportation and marketing their products. The support given to such work by appropriations which will meet the needs of the institutions upon which the rural population is dependent will meet with hearty approval."

Boulder Canyon Project Philip Cabot, of Harvard Business School, writing of the danger in the Boulder Canyon project in The Annalist for January 21, says: "We sometimes say that the policy of nations is of two kinds. One is the far-sighted policy which scans the whole horizon with wise, penetrating vision and builds for the long future. Such policy we call true statesmanship, requiring a rare combination of high wisdom and keen political sense. The other deals merely with the immediate future, and is concerned wholly with considerations of personal popularity. This we call not statesmanship, but political expediency, and it will fare ill with the Nation which submits itself to such leadership. To-day the United States is menaced with leadership of this sort in more ways than one. The Congressional activity at the present time in connection with the so-called 'Boulder Canyon Project Act' is a case in point....Considering the nature of the interests involved, the flood control project is probably a legitimate enterprise on which the United States may embark because the drainage area of the river lies in seven States and a large acreage of United States Government land is also involved. River control and the irrigation of the United States Government land are clearly within the powers of the Federal Government. But unfortunately the proposed development does not stop there. The scope of the enterprise has been greatly enlarged (if not inflated), so as to include the generation of electric power upon a very large scale, and the evidence available appears to indicate that the dam which it is now proposed to build at Black or Boulder Canyon on the Colorado River is not primarily designed for the purpose of flood control and irrigation at all, but for the purpose of generating electric power. If flood control and irrigation alone were aimed at, these objects could be best attained by the construction of a much cheaper dam at Topock farther down the river. The generation of electric power has apparently been injected into this scheme for the purpose of making it self-supporting, but it should be noted at once that it is by no means clear that this will be the result. The engineering difficulties involved in building a dam at Black or Boulder Canyon are staggering, and it may safely be assumed that the cost of the work will greatly exceed the present estimates...."

Canadian Milk Legislation

An editorial in Ontario Farmer for January 15 says: "The famous Lenroot-Taber milk bill has met a surprise packet in the U.S.Senate. It may eventually pass but its chances of 'getting by' this session are fairly remote. Briefly, this bill, framed to prevent the importation of Canadian milk and cream as a health measure, was, we believe, intended to force dealers in Boston and New York to purchase milk and cream produced in Western States instead of purchasing from Canadian producers. The opposition of the National Dairy Council was upheld by the counsel of the American importers of milk and cream.....As we have said before we like a fair fight, but when the sponsors of this bill based their demand for protection on the menace to health presented by Canadian milk and cream, their ultimate defeat was predicted. The fight is not over but Canada should appreciate and encourage the efforts of the National Dairy Council, which on its merit, has rallied a strong measure of support across the line."

Canned Vegetable Supply

An Atlantic City dispatch to the press January 24 says: "There will be enough corn for each person in the United States to have hearly five cans during 1927, as almost five hundred million cans were 'put up' last year, declared Edgar C. Kellogg of Washington, at the National Canners' Association's twentieth annual convention at Atlantic City. Mr. Kellogg said that of corn, peas and tomatoes there would be twelve cans for every citizen....."

Cream Improvement in Indiana

The Butter, Cheese and Egg Journal for January states that several creamerymen in southern Indiana have agreed to raise a fund to employ a field man, who will drive from farm to farm urging the installation of water tanks for cooling cream and the adoption of other practices calculated to result in better cream. Seven counties are to be included in the field man's territory, and he will call only on the patrons of the creameries entering the agreement. Each creamery will contribute one-half cent per pound butterfat to cover expenses.

Economical Production

An editorial in The Nebraska Farmer for January 22 says: "The central theme of all of the discussions during the meetings of Organized Agriculture was greater and more economical production....In the face of existing conditions in agriculture, this question is bound to arrest attention, and unless a logical answer can be given to it, we had as well admit the fallacy of improved methods. The same question confronted industry, and it was answered, not by denying the practicability of more efficient and economical methods, but by taking advantage of them. The American factory is the most efficient institution in the world to-day. It has reduced the per unit cost of production to the minimum, at the same time taking labor from the backs of men and women, and shortening their hours. This has enabled the adjustment of production to the needs of consumption. It is economically unsound and unwarranted to constantly produce a very great surplus of any commodity. This principle is supported by many facts, among which may be enumerated: Oversupply (1) depresses prices so as ultimately to deprive the worker of a just reward for his labors, and (2) disregards the necessity for conserving the sources of production. The farmer has been a persistent viclator of this principle. Yet he has not begun to realize upon the possibilities of volume production. Farm production could be increased tremendously if all farmers would employ

the most efficient methods at their command. Of course, this will not be done, but strides are being made in that direction and the very possibility of it justifies the question asked by the farmer who wanted to know what it shall profit farmers to employ more efficient methods unless something is done to control the supply."

McNary-Haugen Bill

In an editorial on the McNary-Haugen bill, The Baltimore Sun for January 24 says:"....It is a scheme at once socialistic and bureaucratic, applied to a department of the Nation's economic life in which there is no place whatever for elaborate socialism and powerful bureaucracy. It is contrary to the individualism which is the essential characteristic of American agriculture, and consequently the chances are all one way that it will prove unworkable. But even though it be made to work in the immediate purpose of arbitrarily forcing upward prices paid the farmer, it is certain to fail to work in the major problem of adjusting supply to demand. For if profits are guaranteed the farmers, through arbitrary if indirect fixing of prices, it is inevitable that the farmers will go in for production on the largest possible scale. And thus the evil of which they now complain will be magnified, and presumably the assistance they now seek from the Government will be magnified. So clear is this that it is to be hoped that all sane men in Congress, not terrorized by political threats in the West, will take a firm stand against the bill. This need not mean blindness to the farmers' ills; it need mean only blindness to fallacious 'remedies' from the willfully blind."

Milk Freight Rates

An editorial in The New England Homestead for January 15 says: "To move central and northern New England at least one-fifth further back from the Boston market! Such will be the inevitable result of the 20% advance in freight rates on milk, if granted by the Interstate Commerce Commission. No greater economic misfortune could befall those large producing areas. Against this cold fact, the combined sophistry of highly paid railroad attorneys is as naught. There has been much propaganda by the railways to beguile the public into believing that it really made no difference to producers or consumers how high transportation charges might go, since market prices of commodities may fluctuate independently of freight rates. That colossal economic fallacy falls by its own weight. Practice and theory in its favor are based mainly upon the alleged advantages of the low-rate long-haul, which operates so disastrously to agriculture and other industry whose products move to market at high rates over the short haul."

Milk Production in Britain

An editorial in The Journal of the (British) Ministry of Agriculture for January announces that in consultation with the Ministry of Agriculture and Fisheries, the British Dairy Farmers' Association has adopted a scheme for an inter-county clean milk competition with the object of encouraging improved methods of milk production. The competition is open to all counties in England and Wales; and the 'Stapleton' Cup will be awarded to the competing county that, in the opinion of the judges, has made the greatest progress in clean milk production during the competition year, which runs from July 1 to June 30. The first award will be announced at the Dairy Show in October, 1927, for the year ending June, 1927.

Mint Growing in Oregon — The Oregon Farmer for January 13 states that because mint grown in western Oregon and Washington contains a higher percentage of menthol than that produced in Michigan, the Northwest may soon become the Nation's leader in this branch of agriculture.

Section 3
MARKET QUOTATIONS

Farm Products — Jan. 24: Chicago livestock quotations, top price of hogs $12.30. Maine sacked Green Mountains at $2.65-$3 per 100 pounds in eastern markets; bulk stock mostly $1.95 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.25 carlot sales in Chicago; $1.85-$2 f.o.b. Wampaca. Sweet potatoes, Delaware and Maryland yellow varieties mostly $1-$1 25 per bushel hamper in eastern cities. Tennessee Nancy Halls $1.25-$1.35 in the Middle West. Midwestern yellow onions advanced in Chicago to $3.25-$3.50 sacked per 100 pounds and held elsewhere at $2.75-$3. F.o.b. trading sales at $2.75-$3 in western Michigan. New York Rhode Island Greening apples $3.25-$4.50 per barrel. Eastern Yorks $2-$3.25. Michigan Jonathans $3-$5.50 in Chicago.

Closing prices on 92 score butter: New York 47½¢; Chicago 47½¢; Philadelphia 48½¢; Boston 48½¢.

Closing prices at Wisconsin primary cheese markets Jan. 22nd: Single Daisies 25¼¢; Longhorns 25¾¢; Square Prints 25½¢.

Average price of Middling spot cotton in 10 designated markets advanced 2 points, closing at 13.03¢ per lb. January future contracts on the New York Cotton Exchange advanced 7 points, closing at 13.39¢, and on the New Orleans Cotton Exchange they advanced 8 points, closing at 13.45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 24,	Jan. 22,	Jan. 23, 1926
20 Industrials	154.43	155.17	155.16
20 R.R. stocks	121.95	122.20	109.00

(Wall St. Jour., Jan. 25.)

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